

## Kurds report Iraqi assault

NICOSIA (AFP) — Thousands of Iraqi soldiers backed by tanks and artillery mounted an assault near the northern city of Erbil, the Iraqi Kurdish opposition said Friday. The Patriotic Union of Kurdistan (PUK) said opposition forces repelled the attack Thursday on Kani-Ozirale and the main road toward Erbil, the biggest city in Kurdish-held northern Iraq. "Some 3,000 infantrymen backed by 30 tanks and more than 50 personnel carriers attempted to advance on Kurdish positions," after heavy shelling of the areas, it said. But Kurdish militiamen and other opposition forces drove back the attack using rocket-propelled grenades and anti-tank missiles. "There is mounting concern in Iraqi Kurdistan about the coincidence of this latest Iraqi aggression with the Turkish military incursion into the region," the PUK said in a statement sent to Nicosia. "We appeal to the international community to exercise vigilance and determination to assure the safety and well-being of the Kurdish people in Iraq," it said.



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## Saudi's want PNA papers for Israeli Arabs

OCCUPIED JERUSALEM (Agencies) — Saudi Arabia wants Israeli-Arabs to carry Palestinian papers to enter the country for the pilgrimage to Mecca in May, a Palestinian minister revealed Friday. Jamil Tarifi, who is in charge of civilian affairs, said however, that Israel had turned down the request and would be held responsible if Israeli-Arabs could not make the pilgrimage. "We have been informed by the Saudis that all Palestinian pilgrims, including those coming from the State of Israel, must have passports issued by the Palestinian Authority to enter Saudi Arabia," he said. "We were informed by the Saudis that the quota set for Palestinian pilgrims, which included Israeli Arabs, reduced from 15,000 last year to 10,000 this year," Mr. Tarifi said. The Haj month starts around April 30.

## Sweden orders out Russian employee

STOCKHOLM (AFP) — Sweden Friday ordered out an employee of the Russian trade delegation in Stockholm whom it suspected of espionage, the justice ministry announced. Intelligence police (SaePo) arrested the employee, who did not have diplomatic status, on Thursday, the ministry said. SaePo chief Anders Eriksson refused to identify the employee but said his alleged espionage activities had been in the "military sector." The man had "tried to recruit a Swedish citizen to get him to supply 'important official Swedish documents marked secret,'" Mr. Eriksson said. "It was an attempt to espionage and we succeeded in preventing it," he added, declining to indicate whether other persons, including Swedes, had been questioned in connection with the affair. No date has been fixed for the Russian employee's expulsion.

## Bomb kills one, wounds 2 in Algeria

ALGIERS (AFP) — A police officer was killed and two others wounded in a car-bomb attack Friday in the northeastern town of Tizi Ouzou, residents said. The bomb exploded while the officers were checking the car, which had been stolen a day earlier. The sources said the blast occurred in the Haune-Ville district of the town, which lies 110 kilometres east of Algiers and is the capital of the mountainous Grand Kabylie region, largely inhabited by Berbers who are opposed to extremists trying to unseat the military-backed government.

## Libya to broker Uganda-Sudan peace

CAMPALA (AFP) — Libyan leader Muammar Qadhafi will mediate between Uganda and Sudan to help the two countries iron out their differences over alleged support for each other's armed opposition, Ugandan President Yoweri Museveni said Friday. Speaking upon his return from a three-day official visit to Kuwait, Mr. Museveni said Uganda was ready to attend a meeting in Tripoli aimed at sobering up our relationship. "The meeting will be convened on a date yet to be set by Col. Qadhafi."

## Moroccan group asks for detainees

ABAT (R) — Morocco's dependent human rights organisation said on Friday to political prisoners on Niger strike in the central y of Fez since March 7 had denied medical supervision and were in serious condition. The association Maroc des Droits de l'Homme in a statement that Benin Aouni and Doukali erkaoui went on a hunger strike three weeks ago to demand better conditions visiting rights.

## Katyusha attack kills Israeli, injures nine in Galilee

SIDON (Agencies) — Guerrillas unleashed a deadly rocket barrage on northern Israel Friday after one of their senior commanders was killed in daylight Israeli air raids on southern Lebanon. Israel Radio said one person was killed when a Katyusha rocket fired from Lebanon hit a residential building in the Galilee panhandle. Israeli military sources said at least nine others were wounded in the barrage, which targeted Kiryat Shmuna and Metulla. Other rockets crashed in an Israeli-occupied strip in South Lebanon, only metres away from the border. Lebanese security sources said. No casualties were reported in the enclave, known as the "security zone."

Earlier Friday, an Israeli soldier was reported killed and another seriously injured in a clash with Hizbollah guerrillas on the edge of the zone. Three guerrillas were wounded in the clash which erupted after Israeli helicopters landed about 50 commandos at the Israeli-held hilltop outposts of Sojod and Weisida in the central sector of the zone. The troops deployed behind a massive artillery and tank bombardment. The Lebanese sources said Israeli artillery barrages also targeted a string of villages north of zone, wounding four civilians, including a three-year-old boy and a woman. Friday's air raids and ground duels were the worst this year. They coincided with a visit to Beirut by Russian Foreign Minister Andrei Kozyrev, who is seeking to promote Arab-Israeli peace. (see separate story).

(Continued on page 13)

## Kozyrev in Israel on peace mission

TEL AVIV (Agencies) — Russian Foreign Minister Andrei Kozyrev arrived in Israel on Friday on a Middle East peace mission as violence flared up on both sides of the Israel-Lebanon border.

One person was killed and at least nine were injured when guerrillas fired Katyusha rockets into Israel's northern Galilee region from southern Lebanon, police said (see separate story).

Mr. Kozyrev, who arrived here from Lebanon, was to meet Israeli Foreign Minister Shimon Peres late Friday before talks with President Ezer Weizman and Prime Minister Yitzhak Rabin on Sunday.

The Russian envoy said earlier in Beirut that the Jewish state must implement U.N. Resolution 425 calling for a total and unconditional Israeli withdrawal from South Lebanon before there could be progress in the peace process.

It is "important that there is progress in peace negotiations as quickly as possible and that there is no resort to force," Mr. Kozyrev said after talks with his Lebanese counterpart Fares Bouze. "That is why we talked of the application of Resolution 425" adopted in 1978, he added.

Mr. Kozyrev gave Lebanese President Elias Hrawi a message from Russian leader Boris Yeltsin supporting Lebanon's territorial sovereignty and unity.

Newspapers here speculated that Mr. Kozyrev would bring Mr. Rabin a message from Syrian President Hafez Al Assad, whom he met Thursday in Damascus.

Mr. Kozyrev said Friday that he had "noticed a desire to push forward negotiations" in Damascus.

He said earlier he had brought "ideas" to Damascus that could help the Syrian-Israeli negotiations, which are deadlocked over the

Hizbollah Secretary-General Sheikh Hassan Nasrallah said his guerrillas launched the Katyusha attack on northern Israel to avenge the killing of Rida Yassin, one of the group's 10 top commanders in the south, and an aide in an Israeli helicopter ambush earlier Friday. They were driving in their Mercedes-Benz sedan on a road southeast of Tyre, Lebanon's southernmost city, when an Israeli Cobra helicopter fired a single missile that set the car ablaze. Another rocket fired by a second Cobra landed in the nearby bush, starting a fire. The attack was reminiscent of a February 1992 helicopter ambush in which Hizbollah leader Sheikh Abbas Musaawi, his wife and their young son were killed.

Yassin was buried at afternoon prayers in the market town of Nabatiyyeh, facing the "security zone."

The security of our population is no less important than the security of Israeli settlers," Sheikh Nasrallah, Hizbollah's current leader, said in a statement distributed in Beirut.

"Jewish settlers across the border shall never be secure as long as our people in the south are indiscriminately attacked by Israel's war machine," he said.

The Katyusha attack was the most serious since Hizbollah pledged to refrain from firing on Israel under a July 31, 1993, truce brokered by U.S. Secretary of State Warren Christopher.

The agreement followed a week-long Israeli blitz in the south in which 147 people were killed and 500 wound-



His Majesty King Hussein, accompanied by U.S. Defence Secretary William Perry (left), reviews a guard of honour at the U.S. Defence Department on Thursday (AFP photo)

## Prince Hassan returns home

AMMAN (Petra) — His Royal Highness Crown Prince Hassan returned home on Friday after visits to Germany, Austria and Spain.

Shortly after his arrival, Prince Hassan was sworn in as Regent before the Council of Ministers.

In a statement to the press, Prince Hassan said his talks in Germany with Chancellor Helmut Kohl and other senior officials were good and reflected the desire of the European Union to enhance cooperation with Jordan and other Middle Eastern countries, especially after signing Arab-Israeli peace treaties similar to the one signed between Jordan and the Jewish state.

He said the European desire to enhance cooperation constitutes a new step in cooperation between the EU and the Middle East, particu-

larly a summit for the countries of the Mediterranean will be held soon.

He said his talks with the German officials concentrated in particular on financing dam projects in the northern Jordan Valley as well as water pipelines and infrastructure projects.

The Crown Prince said 1995 will be "the year for building our self-confidence. We hope to achieve everything serving the interests of citizens and the region, in addition to strengthening stability and resuming bilateral efforts for cooperation between the countries of the region and achieving Arab reconciliation, especially that there were strenuous efforts to achieve this reconciliation, having so far 14 Arab countries agreeing to it."

Prince Hassan was received at the airport by Their

Royal Highnesses Prince Abdullah, Princess Rania, Prince Faisal and Princess Sumaya, Chief Chamberlain Prince Ra'd Ben Zeid, Princess Majda, Prince Nayef Ben Ali and Princess Wijdan Ali.

They were also received by acting Prime Minister Abdul Rauf Al Rawabdeh, Upper House of Parliament Speaker Ahmad Al Lawzi, the King's advisors, the Crown Prince's advisor, the Cabinet members, the mayor of Amman, the chief Islamic justice, the chairman of the Joint Chiefs of Staff, the Public Security Department director, senior officials and the ambassadors of Germany, Austria and Spain in Amman.

Accompanying Prince Hassan on his visits were Their Royal Highnesses Princess Sarvath and Prince Rashed.

## Qadhafi restates refusal to extradite suspects

TRIPOLI (Agencies) — Libyan leader Muammar Qadhafi has insisted he will not hand over two Libyan suspects in the 1988 Lockerbie bombing to another country for trial, the official news agency JANA reported Friday.

The report came after the U.N. Security Council decided Thursday to maintain sanctions against Tripoli to force it to hand over the two Libyans wanted for trial in the United States and Britain.

"Libya has made all the necessary arrangements for a fair trial of the two accused," Colonel Qadhafi said.

It cannot deliver them "to another country... without their consent and without violating the constitution," the Libyan leader added.

JANA earlier denounced the renewal of sanctions as "unjustified and illogical" and charged that the Libyan people had become victims of "U.S. terrorism."

It was "no longer surprising to note such an illogical decision by the U.N. Security Council," which the agency said had become in effect an "American council."

Tripoli has consistently denied involvement in the bombing of U.S. airliner over Lockerbie, Scotland, in December 1988 that killed 270 people.

But it has agreed to allow the two suspects, Abdul Baset Al Megrahi and Lamen Khalifa Fhimma, to be tried before the International Court of Justice in the Hague.

The U.N. Security Council also wants Libya to cooperate with a French investigation into a bomb attack on a UTA flight which exploded over Niger in 1989, killing 170 people.

The sanctions package, imposed in 1992 and later strengthened, include an arms embargo on Tripoli as well as a freeze on certain Libyan assets abroad and a ban on the supply of some oil industry equipment.

Col. Qadhafi has vowed to challenge the air embargo by sending pilgrims to Mecca in

Saudi Arabia aboard Libyan aircraft for the annual pilgrimage in May.

African foreign ministers left Libya Friday after promising to mediate between the West and Libya over the bombing JANA.

The foreign ministers from Ghana, Tunisia, Cameroon, Zimbabwe and Uganda met Col. Qadhafi on Thursday. They offered to try to set up a diplomatic channel between Western countries and Libya to resolve the dispute, JANA said.

"We have decided to take some steps with the aim of facilitating negotiations and we will talk with all concerned parties in an attempt to find any basis for these negotiations," Ghanaian Foreign Minister Obedi Bow Azamawah was quoted as saying.

Meanwhile, O.A.U. Secretary-General Salim Ahmad Salim on Thursday criticised the Security Council's decision and called on the United Nations to pursue a dialogue with Libya.

"This decision is all the more regrettable, coming as it does at a time when the Libyan authorities are showing greater flexibility to cooperate with the United Nations," he said in Addis Ababa, Ethiopia.

"This decision will only prolong the misery and suffering which has been imposed upon the innocent people of Libya and those of the neighbouring states," he added.

A Libyan newspaper has announced a \$4 billion reward for the capture of former U.S. President Ronald Reagan and former British Prime Minister Margaret Thatcher to go on trial on Libya.

The government daily Al Zahf Al Akhdar published photographs of Mr. Reagan and Mrs. Thatcher with the caption in bold print: "Wanted, \$4 billion reward. It did not say who would put up the cash."

The United States is offering \$4 million for the capture of the Libyan suspects in the Pan Am bombing.

## 'Syria ready for low-level Israel ties'

TEL AVIV (AP) — Syria will allow Israel to open a low-level diplomatic office in Damascus before withdrawal from the Golan Heights is complete, a newspaper reported Friday. The gesture, which indicated that Syria is responding to Israel's demand that a gradual pullback coincide with normalisation of ties, came during a visit by U.S. Secretary of State Warren Christopher earlier this month, the daily Yedioth Ahronoth said. Deputy Foreign Minister Yossi Beilin said he could not confirm the report and noted that Americans involved in the negotiations say that if significant progress is not made on the Syrian track within nine months a peace treaty in 1996 is unlikely. Israeli national elections are in 1996 and polls are showing a deterioration of support for prime minister Yitzhak Rabin. Mr. Beilin, speaking to Israeli army radio from New York, said that as a result of slow progress made in Washington this week on security issues, Dennis Ross was expected to visit Syria and Israel soon. "I assume that the trip will lead to talks between Syrian-Israeli high ranking officers and it is possible that after that we will reach the wished-for breakthrough," Mr. Beilin said.

## King, Queen meet Jordanians living in American capital

WASHINGTON (Petra) — Their Majesties King Hussein and Queen Noor on Friday met at their residence in Washington with members of the Jordanian community in the American capital.

King Hussein briefed the Jordanian community on the Middle East peace process and stressed that Jordan's moves to have peace with Israel came after Egypt signed a peace treaty with the Jewish state and after all Jordanian political and intellectual trends agreed to the choice of peace.

He said Jordan's decision to sever its legal and administrative ties with the Israeli-occupied West Bank was in harmony with the 1974 Arab summit and in response to the Palestinian and Arab desire to have the Palestine Liberation Organisation (PLO) as the sole legitimate representative of the Palestinian people.

"Jordan did not take the decision to sever ties (with the West Bank) to distance itself from the Palestinian brethren, but to give them a chance to move in the direction they choose in full freedom," King Hussein said.

He pointed out that since the time of the Great Arab Revolt, Jordan was the closest to the Palestinian problem

and the Palestinian people. He stressed that Jordan will always remain an example to be followed by others in terms of political pluralism, respect for human rights, cooperation, understanding and constructive dialogue.

The meeting was attended by Their Royal Highnesses Prince Ali, Prince Hamzeh and Princess Iman, Prime Minister Sharif Zeid Ben Shaker, Royal Court Chief Marwan Al Qassem, Foreign Minister Abdul Karim Al Kabariti, Jordanian Ambassador in Washington Fayez Al Tarawneh and the King's military advisor Major-General Hmeidi Al Fayez.

On Thursday, King Hussein met with Arab ambassadors in Washington.

King Hussein also met with U.S. Defence Secretary William Perry and discussed Jordan's defence requirements, means of enhancing scopes of cooperation and exchange of expertise between the U.S. Defence Department and the Jordanian Armed Forces.

The King, who called at the Defence Department, held a closed meeting with Mr. Perry before being joined by Jordanian and U.S. officials.

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## Turkish forces report clashes in northeast

ANKARA (Agencies) — Turkish soldiers on Friday killed 29 Kurdish rebels in a stepped up military campaign in southeast Turkey while the army pressed its offensive in northern Iraq to wipe out guerrilla camps.

The clashes occurred in Sirnak province on the Iraqi border and in Bitlis province further north, the regional governor's office in Diyarbakir said.

In previous action starting from Wednesday, 55 Kurdish rebels were killed in various clashes in the southeast, the office said.

No military casualties were reported. The action indicated that Kurdish Labour Party (PKK) rebels were attempting to challenge the army with smaller units inside Turkey in retaliation for the military's operation in northern Iraq.

That operation involves a part of northern Iraq controlled by Iraqi Kurds who want independence from Baghdad. Patrolled by allied warplanes since the end of the Gulf war, the area is beyond the reach of Iraq's military.

Turkey hopes to rely on the Iraqi Kurds, who are fighting among themselves, to keep Turkey's border secure if rebels return to northern Iraq, said the deputy foreign minister, Ozdem Sanberk. "It is their responsibility," he said.

Turkey made a security arrangement with them in 1992 after a similar cross-border operation, but it never worked because of Iraqi Kurd infighting (see page 2).

"We do not have any dates

fixed for withdrawal. But it will not be months and no single soldier will be left in northern Iraq," Mr. Sanberk told the Associated Press.

His comments contradicted the chief aide to Prime Minister Tansu Ciller, who suggested Turkey wants to keep ground troops in northern Iraq under the umbrella of the U.S.-led allied air force patrolling the area.

The PKK said meanwhile the operation has cost the Turkish army more than 500 lives, against 21 guerrillas killed.

"This is yet another of the series of failures of the Turkish army in its 10-year campaign to defeat our revolution," said PKK chief Abdullah Ocalan.

"The guerrillas are everywhere. We always deploy our forces according to the movements of the Turkish army and the operations it plans," he said in an interview published in the Nicosia newspaper Cyprus Weekly.

A defiant Ocalan said PKK guerrillas were dispersed in the mountains of northern Iraq and launching ambushes on Turkish forces, leaving hundreds of casualties.

The PKK leader pointed out that Turkish television had not shown the bodies of fighters killed as it usually does after army operations in southeast Turkey.

European countries have voiced mounting concern over the incursion, amid fears that it could turn into a long-term occupation because of the power vacuum in northern Iraq.

## Arab Bank presents budget, final account

Amman — The Arab Bank Shareholders' general assembly held its 65th meeting at the Arab Bank Building in Amman under the chairmanship of Mr. Abdul Majeed Shoman, Chairman of the Board of Directors, and in the presence of the representative of the comptroller of companies at the Ministry of Industry and Trade together with a group of the Arab Bank shareholders from various Arab countries.



al accounts and the board of directors' report published inside.

The meeting discussed the general budget, the fi-



## Beilin urges 'active' U.S. role in Syria-Israel talks

By George S. Hishmeh

WASHINGTON (USIA) — Israeli Deputy Foreign Minister Yossi Beilin urged the United States to take a high-profile "active" role in the ongoing talks between Israel and Syria whose ambassadors are at present meeting in Washington.

The Israeli deputy foreign minister voiced his plea during the "face-to-face" programme March 30 at the Carnegie Endowment for International Peace here.

"We need an active American role in our part of the world," he said in reply to a question. "If the Americans are not involved, we are not going to have peace in the next nine months" — a critical date since there will be general elections in both Israel and the United States in 1996 and the two countries, he added, would then be overwhelmed with the reelection campaigns.

He said U.S. shuttling between the capitals of Israel and Syria can "change the situation" and cited as evidence the results of Secretary of State Christopher's recent visit to the Middle East, which resulted in the resumption of the ambassadors' talks in Washington.

Mr. Beilin argued that had Mr. Christopher gone to the Middle East a month later, the Syrian-Israeli talks would have consequently resumed at a later date, and that conversely, had he gone a month earlier the talks could have started then.

Peace, Mr. Beilin continued, should be an important "strategic target" for the United States, and he pointed to the costs of the 1973 and 1991 wars in the region. He added, matter-of-factly, that the cost of peace is much less than the cost of war.



Yossi Beilin

He said that a U.S. role is "vital" for achieving an Israeli-Syrian peace and equally important for "maintaining" peace with the other Arab parties.

The Israeli official raised the possibility that Syria may not yet be ready to make peace with Israel despite its acceptance of the peace option following its participation in the Mideast peace conference in Madrid in October 1991 and other recent gestures.

"I say honestly, I do not know whether (President Assad) wants peace with Israel," Mr. Beilin declared. The Syrian leader remains an "enigma" for the Israelis, he added.

He told a questioner, however, that it is not enough for both Israel and Syria to know each other's position for the talks to succeed. He acknowledged that neither the Syrians nor the Israelis have spelled out their positions on peace and withdrawal from the Golan Heights, which Israel occupied in the 1967 Arab-Israeli war.

Mr. Beilin also repeated his call for "accelerating" the

negotiations with the Palestinians so that the so-called final status issues — Jerusalem, permanent borders, refugees — could move simultaneously with the discussions now under way on Palestinian elections and Israeli redeployment.

The Israeli deputy foreign minister said in defence of his position for a speed-up that May 1996 is the "latest date" to negotiate the final status issues, in accordance with the Oslo peace accord signed in 1993.

He held out the possibility that the talks on Palestinian elections, which should be concluded by July 1, could possibly not meet the deadline agreed upon by the leadership of the two sides. Accordingly, he added, accelerating the process might bring a solution.

He recognised that starting the final status talks may open a "Pandora's box" but he expressed confidence that a solution is possible.

"I believe there are solutions for all the problems," he stressed. "We are in a world of crazy solutions. We just have to understand the red lines of each side," meaning the parties have to recognise the limit of their concessions.

After noting that Israelis can now travel to several Arab countries — "This is the kind of paradise we have dreamed of for many years" — Mr. Beilin said the "biggest challenge" for Israelis nowadays is defining their future role in the Middle East.

In answer to a question, Mr. Beilin reiterated that Israel is willing to pull out from the "security belt" it has in southern Lebanon once the Lebanese government can reign in the Iranian-supported Hizbollah guerrillas.

## Americans visited in Iraq jail

BAGHDAD (Agencies) — The prison conditions of two Americans jailed for eight years in Iraq are improving and they are allowed to read books and magazines, a Polish diplomat who visited them said Friday.

William Barloon, 39, and David Dalibert, 41, are "in much better shape than they were before," said Ryszard Krystosik, who looks after U.S. interests in Iraq.

"We will provide them with some newspapers, magazines and books," as well as items the two had requested such as vitamin supplements, food and clothing, Mr. Krystosik added.

Mr. Barloon and Mr. Dalibert were arrested by Iraqi police on March 13 after

straying across the border from Kuwait and were jailed on charges of "illegal entry."

The two civilian defence contractors who were working in Kuwait are being held in Abu Ghraib jail, 30 kilometres west of Baghdad.

U.S. Secretary of State Warren Christopher urged their release Thursday, insisting they had "strayed innocently" into Iraq.

Iraq had nothing to gain from holding the pair, he said in a reference to U.N. sanctions imposed after the 1990 Iraqi invasion of Kuwait.

However, Iraq said it did not believe the Americans had got lost in the Iraq-Kuwait border region.

"A ditch has been dug, barbed and electrified wire

has been erected, and it is difficult to believe there was a mistake," Mr. Iraqi Foreign Minister Mohammad Said Al Sahaf told Radio Monte Carlo.

The jail sentences had "no political objective," Mr. Sahaf said. "Any foreigner who breaks Iraqi law goes before the courts... there is no discrimination."

"The two Americans can lodge an appeal after a certain period," he added.

An appeal has to be lodged within a month of sentencing. If it fails only President Saddam Hussein has the authority to grant a pardon.

Mr. Christopher warned Thursday that Baghdad will be held responsible for their safety.

## Iraqi Kurds only can keep out PKK — Barzani

SALAHADIN (AFP) — The only force capable of keeping the Turkish Kurdish separatist PKK from launching cross-border attacks are the villagers living along the border, Iraqi Kurdish leader Massud Barzani said.

"No central power, be it Iraqi or Turkish, can hinder them (the PKK) because the area is too big and too difficult to control," Barzani said in an interview on Thursday from his headquarters in the northern Iraqi town of Salahadin.

"Only the people who lived in (the border) villages can do that. It's like with a house. If it's empty everybody can enter. But if there are people, they look after their possessions," he explained.

Iraqi Kurds must be encouraged to return and rebuild their villages in the mountainous border region, which was devastated by the Iraqi army during the 1980s to create a "security zone," he said.

Mr. Barzani acknowledged that Iraqi Kurds sympathised with fellow Kurds on the other side of the Turkish

border, in the face of the Turkish army's incursion into northern Iraq launched on March 20 to hunt down the PKK.

"But this doesn't mean that they support each other in fighting against the central power... The people living there in the border area are well aware of their limits."

Officials in Ankara have said only a return of Baghdad's authority can restore order in Iraqi Kurdistan, in the long term.

Pending the return of Iraq to the international fold, after its ostracism since the August 1990 invasion of Kuwait, they have also raised the idea of an international force to control the region and keep out the PKK.

Mr. Barzani, leader of the Kurdistan Democratic Party (KDP), rejected charges from the rival Patriotic Union of Kurdistan (PUK) that his fighters were supporting the Turkish incursion into the border area controlled by the KDP.

"I'm totally against this intrusion and any long-term Turkish presence but we simply can't do anything be-

sides international lobbying and complaining when the Turks mount air raids on villages or harass our people," he said.

Mr. Barzani asked how the KDP was supposed to confront the might of the Turkish army. "With what? With our weapons, against this huge force?"

But British Deputies who visited the border region said Tuesday that the KDP was backing Turkish forces.

"There was some evidence that local members of the KDP were supporting Turkish forces," said Jim Cousins of the opposition Labour Party. "That may be a local matter but it was clear."

The KDP and PUK have controlled northern Iraq since the end of the 1991 Gulf war, in defiance of Baghdad and with the backing of a U.S.-led allied force based in Southeast Turkey.

But the two groups have clashed since last May, notably over trade across the Turkish border. More than 2,000 people have reportedly been killed.

## Turkey's Iraq offensive is a battle on two fronts

ANKARA (R) — Turkey's push into northern Iraq has forced it to fight on two different fronts, jousting with critics in Western capitals and hunting down elusive guerrillas on the remote mountain slopes of Iraqi Kurdistan.

It is unclear how much success the 35,000 Turkish troops have had against Kurdish Labour Party (PKK) guerrillas in the field. Iraqi Kurds say the rebels slipped deep in the mountains long before the cross-border operation began 12 days ago.

And Ankara only fired its first diplomatic big gun on Thursday when it sent Foreign Minister Erdal Inonu on a tour of Western capitals and blasted its traditional ally Germany.

Mr. Inonu said he would leave soon for Bonn, Washington and Paris to calm Western fears the offensive is too heavy-handed and could turn into a long-term occupation of Kurdish areas of Iraq.

"Contrary to false reports and misunderstandings, the duration and scope of the operation is limited. As soon as PKK camps and facilities in the region have been eliminated our troops will withdraw," he said.

Mr. Inonu, in the job for only four days, has a lot of ground to make up. Germany has suspended a planned delivery of military hardware and frozen grants for two warships in anger at the operation. Turkey charged Bonn with breaking North Atlantic Treaty Organisation (NATO) ranks.

France on Thursday threatened a European Union (EU) arms embargo on Turkey and said a customs union with Ankara set for 1996 will be scrapped if Turkey's army violates human rights in Iraq.

EU criticism on Iraq is a setback to Ankara's decades-old ambitions to join the union. Western Europe has often cold-shouldered Turkey in the past over Ankara's treatment of its Kurdish minority in the country's

southeast. Allegations of human rights abuses have followed the Turkish army across the border. Iraqi Kurdish villagers besieged a complaints centre on Thursday, saying they had seen Turkish troops murder an 18-year-old man on a village street.

A Turkish envoy at the centre, set up to liaise with Iraqi Kurdish civilians, said complaints were often "exaggerated."

The International Committee of the Red Cross (ICRC) asked Turkey to let it evaluate civilian needs and help the wounded and prisoners in northern Iraq. Ankara appeared to grant the request.

"The authorities of the Turkish security forces in northern Iraq shall welcome any opportunity of cooperation with the ICRC representatives," the Foreign Ministry said in a statement.

Reports of clashes in northern Iraq were few. Turkey's military cancelled a scheduled news briefing on the operation in the Turkish city of Diyarbakir and did not release written statements on the conflict as it had done previously.

The latest word from a top Turkish official on the fighting came from government spokesman Yildirim Aktuna after a cabinet meeting on Thursday. "The operation is continuing against limited targets," he told journalists in a short statement.

In news bulletins, state-run television played martial music and broadcast a call for rebels to give themselves up. Both sides have produced wildly differing casualty figures.

Turkey has begun a fresh offensive against the PKK inside Turkey with the transfer of 15,000 fresh troops to the rugged eastern province of Tunceli in recent days.

Soldiers say a huge military drive in Tunceli over the winter produced few results against the well-ensconced rebels who are fighting for a Kurdish homeland in south-east Turkey.

## Multilateral peace talks seen gaining importance

WASHINGTON (USIA) — In the shattering Middle East peace process, the other side of the coin — the multilateral negotiations on region-wide issues — is slowly gaining some belated sparkle.

"In some ways, they have surpassed expectations," said a high State Department official who is intimately involved in the slow-moving talks, which are about to enter their eighth round when the Steering Group meets in Switzerland in May.

The multilaterals are not a substitute for the bilaterals, he said, but they do provide support for the direct talks among the former adversaries. More significantly, he continued, the multilaterals "allowed us to maintain contacts with the parties at times when there were difficulties," adding, "They have cushioned some of the difficulties in the bilateral negotiations."

From the beginning, the Middle East peace process, now in its fourth year, was fashioned to proceed along two simultaneous tracks. The first was direct, often headline-grabbing, bilateral negotiations between Israel and its immediate neighbours — Syria, Lebanon, Jordan and the Palestinians.

The other track was the unobtrusive multilateral negotiations — the so-called "stealth peace process" — because it was not usually in the limelight. These covered issues that impact the region as a whole such as water-sharing and refugees.

The State Department official, who spoke anonymously, explained that the regional talks were originally designed to "complement" the bilateral negotiations.

A wrinkle in this aspect of the Middle East peace process is the absence of both Syria and Lebanon from the regional discussions. Both have refused to date to take part until there is significant movement in the bilateral negotiations. At the moment, the Syrian and Israeli ambassadors are meeting behind closed doors in Washington in a bid to resolve the impasse between them. This round came as a result of Secretary of State Warren Christopher's trip to the region earlier this month.

What the multilaterals were supposed to do, according to the State Department official, is "help people start thinking in a serious way about what you do once you achieve a peace treaty, and how do you organise yourself to take advantage of a comprehensive peace?"

The bilateral talks, he continued, deal with finding a political solution to the conflict, but in the end the region will have to confront many problems covering economic, environment and water-sharing issues.

With this future in mind, the 36 participants in the organisational meeting held in Moscow within three months after the Madrid conference opened in October 1991, agreed to establish five working groups:

— The Arms Control and

Regional Security Working Group which focuses on "confidence-building measures" as well as arms control issues, including information exchange, maritime measures, and verification.

— The Regional Economic Development Working Group which has put together an action plan of projects, and set up a monitoring group to ensure follow up.

— The Water Resources Working Group which holds workshops and studies water conservation, water sector training needs, desalination, and enhancing water data availability.

— The Refugee Working Group which addresses family reunification, training and job creation, public health and child welfare, and social and economic infrastructure.

— The Environment Working Group which is developing an environmental code of conduct and regional responses to issues dealing with oil-spill contingencies, desertification, and waste water treatment in small communities.

Some American officials are now as enthused about the slow-paced multilateral sessions as they are about the bilateral talks.

Dan Kurtzer, the deputy assistant secretary who until recently handled Near Eastern Affairs at the State Department, pointed out that the multilaterals have undergone a "significant transformation" since the first meeting in Moscow.

These negotiations are in

the process of "transforming the region." They have moved from their initial phase of serving as "educational seminars to a point where people are looking at concrete activities."

But perhaps their most important contribution, he said recently, is how they have led to the breakdown of "psychological barriers" between the Arab and the Israeli participants.

The Arabs and Israelis are now considering "institution building as a means of driving the process of regional reconciliation and critical progress among conflicting parties" during the multilateral discussions, Mr. Kurtzer emphasised.

It is important, the high State Department official said in a background briefing, that the region take "ownership of this process."

However, he continued, "this can only happen when we have comprehensive peace."

Here, he pointed out that the multilateral talks have been helpful in making people "start thinking in a serious way (about) what you do once you achieve a peace treaty and how you organise yourselves to take advantage of a comprehensive peace."

Among the achievements of these multilateral talks are:

— An agreement to rehabilitate small community water systems — the first Israeli proposals adopted by the Water Resources Working Group.

— The Upper Gulf of

plan in which Egypt, Jordan and Israel have begun implementing a plan to pool technology to protect this fragile regional resource.

— Over \$100 million for vocational and public finance management programmes for the Palestinians in the West Bank and Gaza.

— An environmental agreement on a "code of conduct," a document that embodies the ground rules for dealing with these issues.

— An agreement within the arms control group to establish a communications network linking the region's capitals as well as a conflict prevention centre in Amman with subsidiaries in Tunis and Doha.

— Work on identifying road networks connecting Jordan and Israel, and a ring road linking Taba, Eilat and Aqaba. The United States is also sponsoring a study on air navigation needs to form the basis for the modernisation of the air traffic control systems in the region.

Ultimately, the steering group is looking at "a vision of what the Middle East is going to look like in ten years," the State Department official said.

Meanwhile, he continued, there is a feeling among some of the participants that they should move forward in the coming year with some of the progress made so far rather than develop new projects.

"We want to make some progress on overall guidelines for the process (and) we are working on that in the steering group," he concluded.

## Japan said to delay loan to Tehran

WASHINGTON (Agencies) — Secretary of State Warren Christopher said on Thursday that Japan has held up concessional lending to Iran because of U.S. pressure.

He made the comment at a House of Representatives International Relations Committee hearing to demonstrate that a highly visible Clinton administration campaign to contain Iran is producing some, albeit largely tentative, results.

"The Japanese have recently once again held up some concessional loans that they would be making with respect to a dam in Iran," Mr. Christopher said, without providing details.

"Now, that happens because the United States is persuasive, because we've been trying to show the rest of the world that Iran is in a category almost all by itself in what they're doing to undermine the (Middle East) peace process and projecting terrorism around the world. So what we do has a real effect," he said.

It could not be immediately determined if Japan told the United States how long it will delay lending to Iran.

For years Japan, which is Iran's biggest customer for crude oil, has been supporting the construction in Iran of a giant hydroelectric dam on the Karun River costing hundreds of millions of dollars.

## Afghan government finds mass grave near Kabul

CHARASYAB (R) — Afghan authorities said on Thursday they had found a mass grave containing 22 bodies at a former base for opposition student militia-men south of Kabul.

Reporters watched as officials dug up the bodies, buried on top of each other in an irrigation ditch about 300 metres from the main road linking the town of Charasyab with the capital Kabul.

All the corpses, in varying stages of decay, were male. Their hands were tied behind their backs and they had been shot at least once in the head.

Witnesses found spent Kalashnikov ammunition lying nearby.

The officials said 20 bodies were of ethnic Hazaras, a minority group living mainly in the southwestern suburbs of Kabul, and two were those of ethnic Uzbeks.

They blamed the killings on the Taliban student militia, driven out of Charasyab by government troops.

There were conflicting reports on how the grave was discovered but villagers appeared to have been aware of the corpses for several weeks.

A villager named Mir Aga said he saw Taliban fighters kill the men. He said he could not remember the precise date.

"It was in the late afternoon and we were over by a

pump station on the other side of the road when we saw Taliban shooting each other," Aga said.

"Some were sitting, some were standing. The Taliban later told us that they killed them because they were Hezb-e-Wahdat prison guards who had physically abused the inmates," he said.

There was no immediate independent confirmation or any comment from the Taliban militia.

Charasyab has been under the control of three different rival militias in the past two months.

Taliban captured the town from the Hezb-e-Islami faction of former Prime Minister Gulbuddin Hekmatyar on Feb. 14, at the climax of a rapid sweep through southwestern Afghanistan.

Most Hazaras are the followers of the opposition Shi'ite Muslim Hezb-e-Wahdat faction, whose leader Abdul Ali Mazari was killed on March 13 while he was held prisoner by the Taliban.

One government official who declined to be identified said he believed the Taliban arrested the victims while taking over the area, and later killed them.

Observers said it was possible that any one of the three factions — Taliban, Hezb-e-Islami or Hezb-e-Wahdat — could have been responsible.

## JORDAN TIMES DAILY GUIDE AND CALENDAR

JORDAN TELEVISION	
Tel: 773111-19	
<b>PROGRAMME TWO</b>	
17:00	Le Prince Et La Sirène
17:30	Pyramide
18:00	D'Artagnan Amoureux
18:30	News in French
19:15	Pi Ut Pas Reven
19:30	Road to Avonlea
20:30	The Nanny
21:10	The Cape Rebel
22:00	News in English
22:30	Feature Film
PRAYER TIMES	
05:02	Fajr
06:21	(Sunrise) Duha
12:40	Dhuhr
16:12	Asr
18:28	Maghreb
18:17	Isha
CHURCHES	
St. Mary of Nazareth Church Swaidia, Tel. 810740	
Assemblies of God Church, Tel. 632785	
St. Joseph Church Tel. 624590	
Church of the Annunciation Tel. 637440	
De la Salle Church Tel. 661757	
Terrence Church Tel. 623666	
Church of the Annunciation Tel. 623411	
Anglican Church Tel. 630851, Tel. 628543	
Armenian Catholic Church Tel. 771331	
Armenian Orthodox Church Tel. 775261	
St. Ephraim Church Tel. 771751	
Armenian International Church Tel. 652526	
Evangelical Lutheran Church Tel. 824338	
German-speaking Evangelical Congregation Tel. 684195	
The Latter-Day Saints Tel. 654932	
Church of Nazareth Tel. 675691	
The Evangelical Local Church in Amman Tel. 811295	
WEATHER	
Bullshit supplied by the Department of Meteorology.	
Temperatures are expected to rise slightly with winds southeasterly moderate. In Aqaba, winds will be northerly moderate and seas calm.	
Min./Max. temp.	
Amman	9 / 23
Aqaba	15 / 30
Deserts	5 / 25
Jordan Valley	14 / 27
Yesterday's high temperatures: Amman 21, Aqaba 29 Humidity readings: Amman 33 per cent, Aqaba 36 per cent.	

USEFUL TELEPHONE NUMBERS	
NIGHT DUTY	
AMMAN:	
Dr. Hanna Mansour	750197
Dr. Yahya Abdul Salam	736072
Dr. Said Tawfik AB	788285
Dr. Arsal Ashab	602597
First pharmacy	661912
Fendous pharmacy	778336
Al Asma pharmacy	637055
Nairokh pharmacy	626672
Al Salam pharmacy	630730
Yasoub pharmacy	644945
Shuiein pharmacy	637660
Najib pharmacy	847632
IRBID:	
Dr. Mohammad Al Hila	279773
Aqaba pharmacy	(-)
ZARQA:	
Dr. Akram Haddad	985550
Khalifah pharmacy	985417
EMERGENCIES	
Food Control Centre	637111
Civil Defence Department	661111
Civil Defence Immediate Rescue	630341
Civil Defence Emergency	199
Rescue Police	192, 621111, 637777
Fire Brigade	617101
Blood Bank	772121
Highway Police	843402
Traffic Police	896390
Public Security Department	630271
Hotel Complaints	605800
Price Complaints	661176
Water and Sewerage	897467
Complaints	897467
Amman Municipality	787111
Telephone Information	(directory assistance)
Overseas Calls	010230
Central Amman Telephone	623101
Repairs	623101
Abdell Telephone Repairs	661101
Jordan Television	77311





**AUB MEDICAL CONFERENCE:** Minister of Public Works and Housing and acting Minister of Health Abdul Razzaq Ensour (second from left) Friday inaugurates the first medical conference of the American University in Beirut (AUB) Alumni Club. Deputising for Their Majesties King Hussein and Queen Noor, Dr. Ensour delivered an opening address in which he commended the conference, describing it as an opportune setting for the intellectual exchange of the Arab nation to meet and exchange professional experiences. He said the conference will discuss important working papers "reflecting our aspirations and ambitions for our educational, scientific and medical future, especially that we are now on the threshold of a new century." After the opening session, Dr. Ensour opened a medical exhibition held on the sidelines of the two-day conference.

## European Investment Bank team to Kingdom ends 2-day visit

**AMMAN (Petra)** — A European Investment Bank (EIB) delegation on Friday left Amman at the conclusion of a two-day visit to Jordan during which its members met with government officials for talks on the needs of the Jordanian government.

The delegation's talks also covered the possibility of carrying out investment projects in Jordan in view of developments on the regional arena, especially in the water, tourism, transport and energy sectors.

The delegation also visited projects financed by the bank or sites of future projects it will finance in Aqaba, the Jordan Rift Valley, the Dead Sea, Al Kafrein Dam and the Yarmouk River.

Relations between Jordan and EIB date back to 1977 when the Kingdom concluded with European Union (EU) a general cooperation agreement and signed four financial and technical protocols covering the period 1977-96.

Under the terms of the agreement the EIB presented Jordan with financial assistance in the form of loans and grants totalling 329 European Currency Units (\$365 million).

These projects included building the infrastructure of the Sahab Industrial City, establishing sewerage network in Salt, Irbid, Ramtha, Madaba, Zarqa and Ma'een several water projects and rebuilding the Amman-Aqaba road.

## Romania fully supports peace treaty — envoy

**AMMAN (Petra)** — Romanian Ambassador to Jordan Antonio Pascal has said his country fully supports the Jordanian-Israeli peace treaty, adding that the Bucharest government hopes that it will lead to a just, comprehensive and lasting peace in the entire region.

In a statement to the Jordan News Agency, Petra, on the eve of the 30th anniversary of establishing bilateral relations with Jordan, which falls today, Mr. Pascal praised the unique Jordanian-Romanian relations and expressed admiration of Jordan's democratic march.

He said his country maintains close economic and trade relations with the Kingdom, noting that Romania ranks second on the list of countries importing Jordanian phosphates after India.

Mr. Pascal said the volume of trade between the two countries totalled \$45 million in 1994 and he said he hoped that it will rise this year.

He stressed that his country will take part in the Amman economic summit which will be held in October.

Mr. Pascal said the Romanian prime minister is expected to visit Jordan in June in an effort to enhance existing economic and trade relations.

He said his country is looking forward to the visit by His Royal Highness Crown Prince Hassan to Romania, noting that the Romanian president had extended an invitation to Prince Hassan during the Casablanca economic summit.

## HOME NEWS IN BRIEF

### Rare brain tumour successfully removed from child

**AMMAN (Petra)** — A chestnut-size brain tumour was successfully removed from an 18-month-old child on Thursday by a Jordanian medical team. Neurologist and brain surgeon Ibrahim Subeih and ear, nose and throat specialist Mahmoud Asaad conducted the surgery at the Arab Centre for Heart and Special Surgery. Dr. Subeih said such a tumour was rare at this age, adding that it was removed by inserting an endoscope through the child's nostrils. Dr. Subeih said two weeks ago the child was suffering from problems in the left eye and that X-rays revealed a tumour of the base of the skull. He said that after the four and a half hour surgery the child was in stable condition.

### Conference to address Arab food security

**AMMAN (Petra)** — The investment climate in the Arab World and the laws governing investments, in addition to Arab food security will figure high on the agenda of a five-day conference on Arab investment and food security which will be held here in mid-September. The conference, which is organised by Ministry of Trade and Industry in cooperation with the General Federation of

Arab Chambers of Commerce, Industry and Agriculture and the Arab Federation for Food Industries, will attract experts from the entire Arab World, in addition to representatives of Arab and international organisations, companies and corporations. Participants in the conference will discuss Arab investments, food security, the packing and packaging industry, in addition to other related subjects.

### Low depression affects the country on Sunday

**AMMAN (J.T.)** — The Meteorology Department predicts a low pressure accompanied by a cold air mass will start affecting the country Sunday evening. In an interview with Jordan Television, Jamal Al Mousa of the Meteorology Department said rainfall is expected as of Sunday evening through Tuesday. He added that a sharp drop in temperatures is expected. Mr. Mousa said that on Monday temperatures will drop by 7°C — and on Tuesday they will drop by 12 to 13° — much lower than the average temperature for the season. He said a rise in temperatures was expected yesterday and today because of a warm front preceding the low pressure coming from Italy. On Wednesday and Thursday, April 5 and 6, temperatures are to rise gradually, but will remain below the seasonal average. Mr. Mousa said.

# Municipal elections to be held July 11

## Political parties to field candidates for local office

By a Jordan Times Staff Reporter

**AMMAN** — Municipal elections will be held throughout Jordan on July 11, marking the first time that the contest for local administration is held on the same day in all parts of the Kingdom. Minister of Municipal and Rural Affairs and the Environment Nader Thuheirat has announced.

The elections will also be the first time that Jordan's new political parties will field candidates in municipal polls after the Kingdom enacted a new law on political parties in 1992.

As such the elections to the 259 councils are expected to be a key test for the 23 officially registered parties. Jordan held its first multi-party elections in November 1993 after enacting the new Political Parties Law in late

1992. The law ended a 36-year hiatus in organised political parties in Jordan and was part of a wide democratisation process launched in 1989.

Mr. Thuheirat announced the date for the municipal polls and related details at a press conference held at the Ministry of Municipal and Rural Affairs and the Environment on Thursday.

He said ministry officials had defined the municipal boundaries of 85 new councils, raising the number of total municipal bodies in Jordan to 259 in line with new regulations passed in February.

The elections will be for seven council members, including a mayor, except in the Greater Amman area. Separate ballot papers will be provided for voting for council members and the mayor.

All elections will be for the full council except for the Greater Amman Municipal Council where voters will elect only half the 50 members of the body. The other half will be appointed by the government, which will also appoint the mayor of the capital.

Voter registration for the polls will begin on April 11 and end on May 15. The family book will be the basic document to determine voter eligibility, supported by current local tax/tariff bills as proof of residence, the minister said.

The registration authorities will place a special stamp in the family book to block anyone from voting more than once, he said.

The voters' registers are expected to be finalised by late June after appeals and objections are heard and

ruled upon. Candidate registration will be held in early July, allowing one week of campaigning, the minister said, appealing to potential candidates to limit their electioneering to "clear" methods.

Any Jordanian above 25-year-olds, who does not have a criminal record and has paid his/her taxes in full, is eligible to run in the elections. No quota is set aside for women members in municipal council. The voting age is 19 years and above.

Each voter will have the same number of votes as the number of members of the council.

A high-level committee will be the final authority in ruling on election-related disputes. A massive force of civil servants divided into separate polling committees

will supervise the actual polling and counting procedures in the presence of candidates' representatives.

Polling booths will open at 7 a.m. and will close at 5 p.m. except in cases where the concerned committee finds it necessary to extend the period by a few hours.

It is likely that the day will be announced as a holiday, particularly for schools, where the actual polling will take place.

The elections will be the first time that Jordan's political parties will officially vie for control for local administration. Prior to 1957, when political parties were banned following an aborted coup attempt, political parties were not interested in local administration. They only focused on Parliament elections, oldtimers say.

## Japan grants Jordan \$7.4m to help water sector

By a Jordan Times Staff Reporter

**AMMAN** — Japan is granting aid worth 600 million yen (\$7.4 million) to help Jordan's water sector, raising to more than \$30 million Tokyo's assistance to the Kingdom since 1993.

Japan is also expected to grant additional aid worth about \$7 million soon, completing the full amount of grant Tokyo has allocated for Jordan in 1994.

The two governments are currently discussing grants during fiscal 1995, and Japanese officials said last week that they were awaiting definite requests from Jordan before taking up the issue further. No estimates were immediately available for the amount involved.

The Japanese embassy said

Thursday that Ambassador Yuji Ikeda and acting Minister of Planning and Minister of Transport Samir Kassar signed notes related to the latest grant of \$7.4 million which will be used to replenish workshops of the Water Authority of Jordan (WAJ).

It said the aid will be used to procure maintenance equipment for water supply facilities such as a work shaft gridding machines, cylinder boring and milling machine etc. for the water authority's central work in Amman and branch facilities in Irbid and Maan.

The equipment will "contribute to the efficient use of water, avoiding wasteful leakage and dropping which are widely observed in Jordan," said the embassy in a statement, adding the aid was

in line with Japan's support for the "Jordanian commitment to the peace process in the region."

The statement noted that Japan had been studying desalination of brackish water and water network in Zarqa.

Japan's outright grants to Jordan had been limited until 1992 because the per capita income in the Kingdom was higher than the \$1,305 ceiling for aid recipients. However, Tokyo made available long-term loans at favourable terms to Jordan, and now Japan holds about \$1.81 billion of the Kingdom's foreign debts.

Tokyo started granting aid to Jordan in 1993 after the per capita income went below the ceiling, and Japan is now expected to be a main source to fund infrastructure pro-

jects in the Kingdom.

Japanese officials said last week that Jordan had to make specific project proposals seeking financing rather than lumpsum Japanese aid since the Tokyo government's policy was to allocate grants on a project-to-project basis rather than granting a blanket amount to any government.

Hiroshi Shiojiri and Mitsugu Saito, two Japanese officials who held talks with the officials from the Ministry of Planning, the Ministry of Water and Irrigation and the Ministry of Transport, said Tokyo was now awaiting specific financing requests from Jordan.

They affirmed that the projects they discussed in Jordan include rebuilding the King Hussein Bridge and the

Peace Bridge (formerly Sheikh Hussein Bridge) across the Jordan and modernising the roads that link the bridges with main Jordanian highways.

The reconstruction of the King Hussein Bridge and access roads is estimated to cost about \$17 million, and the Peace Bridge and access roads \$6 million. In addition are projects to modernise the North Shuneh-South Shuneh highway (\$107 million) and the Irbid-North Shuneh highway (\$23 million).

Tokyo follows a policy that "project-specific" aid is tied to Japanese contractors and participation, while "non-project" aid is unconditional — meaning that the beneficiary country could use the amount to import non-Japanese goods and services.

## Normalisation issue threatens to divide writers association

By Sa'eda Kilani Special to the Jordan Times

**AMMAN** — The issue of normalisation, which brought down the administrative committee of the Jordanian Writers Association (JWA) two weeks ago, is now threatening further divisions within the country's literary body.

When seven members of JWA's administrative committee resigned two weeks ago they were not really quitting altogether. They were rather hoping that, in new elections, they would capture the JWA's 11 seats and "would not have to deal with recurrent squabbles" over the issue of normalisation.

Now, a week before the April 7 elections, they discovered that matters are more complicated than they had envisaged.

One of those who resigned, Hashem Gharaibeh, was the first to nominate himself for JWA's presidency shortly after the resignation of the administrative committee. But he was the first to withdraw his candidacy. He said he could not "tolerate functioning in a chaotic atmosphere" the same reason former president, Mu'nis Razzaz, cited for quitting.

Mr. Gharaibeh said that a certain group, a minority in the administrative committee, was constantly disrupting the committee's

meetings and creating chaos over the issue of cultural normalisation, or normalising cultural relations with Israel. He said the association was not able to produce anything for an entire year because "this Salem Nahhas group" was constantly busy trying to find out who is with or against normalisation. Mr. Nahhas, a member of the Democratic Popular Party (Hashd), is running for JWA's presidency for the first time.

Mohammad Kharroub, who also nominated himself for the administrative committee membership said he withdrew and for the same reason.

Mr. Kharroub, also one of the seven who resigned, charged that the same group which used to create havoc in the past, under the slogan of combatting cultural normalisation with Israel, is now escalating its propaganda against them.

"According to Mr. Kharroub, 'the Nahhas group' accused them of being associated with the government. He said this accusation was not valid since all the association's members have a unified stance against normalisation."

But the Nahhas group wants to reduce all cultural issues to a debate over normalisation, he said.

"Their only task is to accuse members of being pro-normalisation," Mr.

Kharroub said. "They would not be comfortable unless they sack members."

Mr. Kharroub was referring to writers Zuleikha Abu Rishbeh and Hamadeh Farahneh who were accused of "pro-normalisation." He said the resigned members refused to dismiss them or take similar action against any other members, such as the Minister of Culture, Khaled Karaki.

Mr. Nahhas said he did not attempt to discredit anyone nor to accuse them of anything. He said cultural normalisation is an issue that should be discussed at length, and everyone has the right to voice his/her opinion.

"The association is very weak," Mr. Nahhas said. "There has been no serious work done. It is even incapable of combatting normalisation."

The crisis in the association started when the hardliners within the administrative committee demanded that Suleiman Al Azru'i, an official at the Ministry of Culture, be sacked for attending a ceremony at the northern border crossing with Israel. This was the same group, however, that showed leniency at the invitation of Knesset member Hashem Mahameed to Jordan.

While all members finally rejected Mr. Mahameed's visit to Jordan, Mr.

Razzaz resigned in protest against what he termed as petty squabbles although his faction had "a majority on the administrative committee and at the association's base."

Mr. Razzaz said then that he could no longer operate in such an atmosphere and he resigned. Six members of the administrative committee followed suit, but were planning to make a comeback to the association with a more forceful stand.

That is why they were planning to run for the elections on a bloc basis so they would not only have majority as before, but would ensure the outcome of a harmonious administrative committee, they said.

But the situation has completely changed.

Five candidates have nominated themselves for the presidency: Mr. Nahhas, representing the hardliner camp, Aisha Khawajah Razem, who said she hoped to attract the supporters of Mr. Razzaz, and independents Issa Jarajerah, Saoud Qubeilat and Ibrahim Absi.

Mr. Gharaibeh, however, said his decision to withdraw was irreversible.

"The association is on the verge of collapse," Mr. Gharaibeh said. "At this stage, we are in dire need of an effective cultural performance, but those who failed to achieve anything through their political parties are trying to exploit the association as their forum. They are creating chaos."

Mr. Nahhas said: "I'm not trying to create problems for anyone. It was upon pressure from the general assembly that I nominated myself for president."

Ms. Razem, the first woman to contest the JWA presidency, said she had a clear programme on "normalisation", and felt confident that she would be able to attract considerable support.

"There is no specific strategy vis-a-vis normalisation that protects the intellectual," said Ms. Razem, who ran for the 1989 parliamentary elections but lost and withdrew in the 1993 elections. "I will present a clear programme on normalisation based on our historic and cultural perspective."

## WHAT'S GOING ON

The following listings are compiled from monthly bulletins and the daily Arabic press. Readers are advised to verify the listed time and place with the concerned institutions.

### SECOND ARAB DRAMA FESTIVAL

Two plays entitled "The Theatre of Sizarys" and "The Eyes of Maria and Sindbad" respectively at 7:00 p.m. and 8:30 p.m. at the Royal Cultural Centre.

### EXHIBITIONS

- Exhibition of art by Leo Rialp at Instituto Cervantes (the Spanish Cultural Centre).
- Exhibition of prize-winning paintings by Czech students at the Royal Cultural Centre. Also showing another exhibition entitled "Dialogue Between the Nature and the Artist" by landscape painter Ahmad Mounib.
- Exhibition of oil paintings by Hamoud Chantout at the Balqa' Art Gallery, Fubeis.
- Exhibition of oil paintings by Yousef Baddawi at Alia Art Gallery.
- Exhibition of art by Ahmad Al Babili and Mohammad Ali at the Phoenix Gallery for Culture and Art.
- Exhibition of art by Rula Shukairy at the French Cultural Centre.

## 'Ghazir Al Leil' to draw final curtain in Amman

### Area theatre critics see Egyptian folk tale in varying lights

By Mohammad Mashariqa Special to the Jordan Times

**AMMAN** — As part of the activities of the Amman International Theatre Festival which opened on March 27, the famous folk tale Egyptian play entitled "Ghazir Al Leil" goes into its last performance at the Royal Cultural Centre (RCC) tonight as critics express mixed reviews.

"The play's plot is simple and known in Egyptian history, changing according to time and place. Of course, people's imagination traditionally adds several events to it out of their suffering and feelings," says the play's director, Hassan Gurattile, who is also director of Al Warsha group which performs in the play. "It is an open story that can carry several colours of heritage over the generations: experiences of love and death and images of supernatural forces which determine man's destiny. It is a voyage into human mazes and represents various versions of local lan-

guage and folk music," according to Mr. Gurattile, billed by critics as one of the pioneers of Arab experimental theatre.

Performances in Jordan of "Ghazir Al Leil" received mixed reviews from art critics and other interested parties, especially that its audience came to watch a recognised play that has been presented in various creative versions over the past five decades.

So did Mr. Gurattile succeed in presenting the story of "Hassan and Na'ima" in a new theatrical form? Jordanian Director Sawwan Darwazah said she believed that Mr. Gurattile gave artistic flashes, but did not develop any of the play's dramatic events to the extent that they deserve.

"It seemed as if the director was governed by an Orientalist complex in which he is interested, and thus presented the events as they are without any artistic actions to overcome the monotony of the slow monologue," Ms. Darwazah said.

The director attempted to diversify the levels of the plot,

using folk singing at times, the shadow play or stereotypical characters in Egyptian life, but none of these scenes was dramatically completed.

He also exerted little effort in preparing the amateur cast, perhaps seeking to keep ideas and folk personages simple by mimicking them from reality to the stage without interference, except in arranging the events of the tale.

"I was expecting to see an experimental performance of folk art material because this is what we are missing in our Arab theatre," said Bashir Hwari, a Jordanian playwright and critic.

Mr. Hwari said the experimentation in the play was modest compared to Mr. Gurattile's experience at the Arab and international levels.

Nevertheless, "Ghazir Al Leil" remains worth viewing because of the questions that it raises about Arab folk theatre and the use of folk tales without running into the pitfalls of superficiality and absurd comedy.



A scene from 'Ghazir Al Leil'

Al Warsha theatre group, which was founded in Egypt in 1987 as the first workshop (group) independent of formal institutions, receives no financial or other support from the Egyptian Ministry of Culture. Renowned all over the

world, "Al Warsha" participated in the theatre festivals of: Avignon, Zurich, Carthage and Stockholm in addition to Amman.

Mr. Gurattile worked as the artistic director of the Theatre of Air and Earth in France

from 1975 to 1980, until he returned home to begin new roads in experimental theatre. "Ghazir Al Leil" will be in final performance tonight.

The Amman International Theatre Festival continues through April 10.



# 4 World News

## Seoul: Nuclear financing may collapse if South not given role

SEOUL (AFP) — President Kim Young-Sam warned Friday that South Korea would not give "a single penny" to the U.S.-led plan to give North Korea safer nuclear reactors if it was denied a key role in implementing the deal.

South Korean opposition to a U.S. firm bagging the main contract to provide the North with safer reactors escalated as Pyongyang's ties with Washington and Tokyo further eased, leaving Seoul increasingly isolated.

"The provision of nuclear reactors will become difficult if North Korea persists in rejecting the South Korean standard model," Mr. Kim said in an interview with leading newspaper Dong-A Ilbo. "Because we are going to shoulder most of the cost for the reactors, everything is up to us."

Under the 1994 U.S.-North Korean accord, the hardline Communist regime in Pyongyang is to get safer light-water reactors in return for freezing nuclear facilities

suspected of having been used to produce crude bombs.

South Korea, the presumed main target of the bombs, is being asked to shoulder three-fourths of the \$4 billion cost of two 1,000-megawatt reactors for the North.

Mr. Kim's interview came out after the South disclosed that North Korea had picked U.S. firm Combustion Engineering's CE-80 reactors. But South Korea argues that its own standard reactors are updated versions of the CE-80.

Mr. Kim pressed on with his offensive in an address to civic leaders Friday in the southern city of Pusan, saying Seoul would not provide "a single penny" if its reactors were not used.

"There are some people saying our position is tough, but we are just following the principles of the U.S.-North Korea agreement," the South Korean News Agency, Yonhap, quoted him as saying.

Seoul insists on being the main contractor not only to recoup its expenses but to make sure the peninsula, divided since the end of World War II, will have a compatible energy system if it is reunified.

But officials here admit that the choice of the CE-80 was a concession on the part of the North — which earlier asked for Russian or German models — regarding the compatibility issue.

South Korean officials said Friday that they had asked Washington to crack down on U.S. energy firms offering their products to North Korea, undermining efforts to make Pyongyang accept Southern technology.

The nuclear problem has also been complicated by an agreement Thursday between Japan and North Korea to resume talks on normalising ties, despite Seoul's requests for Tokyo to slow down until the nuclear issue is resolved.

Moreover, South Korean officials said Friday that U.S. telecommunications giant AT

and T had been authorised to launch a trial telephone service between the United States and North Korea around April 10.

The opening of the telephone links is part of last January's lifting of U.S. economic sanctions of Pyongyang under their 1994 agreement.

Mr. Kim took his own steps to restart normalisation efforts with North Korea.

In the interview, he expressed willingness to reactivate plans for a summit, indefinitely after the North's longtime leader Kim Il-Sung died last July. But he said the North must first resolve the succession question.

Kim Il-Sung's son and designated successor, Kim Jong-Il, has yet to be proclaimed as state president and ruling Workers Party general secretary.

Meanwhile, a diarrhoea, from the North claimed Friday that North Korea is raising optimism on a massive scale to earn hard currency to import food.

## Taiwan patrol boats leave for Spratlys

KAOSHIUNG, Taiwan (R) — Taiwan sent armed patrol boats to emphasise its sovereignty claims in the disputed Spratly Islands Friday and officials said the boats would be joined by a naval escort.

A Marine police commander waved to journalists as his 800-tonne Shun Hu No. 1 led two other vessels from Kaohsiung Harbour to protect Taiwan's fishing rights and sovereignty claims in the South China Sea.

The three boats' eight-day patrol will go first to the Pratas Islands, some 220 nautical miles southwest of Taiwan, and then on to the Spratlys.

The Spratlys, a cluster of about 60 islands, are claimed wholly or in part by Brunei, China, Malaysia, the Philippines, Vietnam and Taiwan. The Pratas are claimed by Taiwan and its rival China.

"We are not going to fight. We are going to protect fishermen's operations," said Yang Tzu-Ching, commander of the Seventh Peace Preservation Corps, just before he boarded his boat and left.

"We are within the scope of our responsibilities to protect our country's sovereignty," he said.

Mindful of building tensions, especially between China and the Philippines, Commander Yang said the patrol had been scheduled for some time and added that it did not constitute an armed unit.

Journalists clearly saw machine guns on board. "Relations between Communist China and the Philippines are quite tense," Commander Yang told journalists. "But this patrol has been planned for two or three months."

The Philippines said Thursday that Taiwan's dispatch of armed patrol boats to the disputed Spratly Islands would raise tensions but it was also prepared to increase its military presence there.

Several officials in Taiwan government ministries, as well as police in Kaohsiung, told Reuters that Taiwan's navy would provide an escort for the patrol. The escort's size and departure time were unclear.

The Spratlys, thought to be rich in oil, straddle strategically and commercially vital sea lanes used by all contiguous countries.

Commander Yang said Taiwan planned to erect a monument emphasising sovereignty on a Taiwan-occupied islet which it calls Taiping but is also known as Itu Aba.

The Philippines has rejected Chinese demands for the release of 62 Chinese fishermen arrested by the Philippine Navy last weekend and accused of illegal fishing in the Spratlys.

Manila accused China last month of constructing possible naval installations in the Kalayaan Reef, and said it has dismantled some structures.

Malaysia said this week it hopes rival claimants to the Spratlys will resolve their differences peacefully. Vietnam also issued a mild, indirect rebuke to Taiwan and urged talks on the Spratlys issue.

## China warned of strong quakes in years ahead

BEIJING (R) — Seismologists said Friday they expected several strong earthquakes to rock China in the next few years and published emergency regulations to ensure swift response to a disaster.

"Since 1988, we have entered the fifth period this century for strong earthquakes in China," He Yongnian, deputy director-general of the State Seismological Bureau, told a news conference.

"A number of earthquakes with a magnitude of over seven will probably occur," he said.

The emergency response act for destructive earthquakes, which takes effect Saturday, aims to ensure efficient rescue work while maintaining order after a disasterous tremor, he said.

The regulations also aim to ensure emergency supplies and disaster relief both from home and abroad.

China rejected foreign aid after a catastrophic 1976 earthquake in Northern Tangshan that measured 7.8 on the Richter Scale killed 240,000 people and flattened

the city. Economic losses were estimated at over 10 billion yuan (\$1.2 billion).

The most devastating tremor in recorded history hit northern Shaanxi province in 1556 killing 830,000 people. "China is one of the countries in the world suffering the most severely from seismic hazards," he said.

Nine earthquakes with a magnitude of eight on the Richter Scale have hit China this century, the bureau said. The number of earthquakes with a magnitude of seven in China account for one-third of total continental earthquakes in the world, it said.

Almost all provinces have been hit by earthquakes with a magnitude of six, and 89 per cent of China's tremors measure six on the Richter Scale.

In the next 10 years, China will build more earthquake-resistant buildings in large and medium-sized cities as well as in densely populated areas to provide security against tremors of up to a magnitude of six, he said.

## Guatemalans unshaken by reports of CIA influence

GUATEMALA CITY (AP) — Claims that an army colonel was on the CIA payroll have sparked little outrage in Guatemala, where U.S. influence — for goods and for bad — is taken for granted. "We've had so much truck with the CIA since 1954 that anything shady and improper is attributed to the CIA," said Congressman Jorge Skinner Klee, referring to the year a leftist Guatemalan government was overthrown by a CIA-engineered coup.

U.S. Rep. Robert Torricelli claimed on March 23 that Guatemalan Col. Julio Roberto Alpirez had been on the U.S. Central Intelligence Agency (CIA) payroll and had ordered two recent, notorious killings — one of an American innkeeper and one of Efraim Bamaca, a guerrilla married to a U.S. woman.

The New York Times reported Thursday that the CIA had continued to ship about \$5 million to \$7 million to Guatemala's military after the U.S. government publicly cut off military aid in 1990 over the killing of the innkeeper, Michael Devine.

Col. Alpirez told reporters this week he was neither paid by the CIA nor involved in the murders.

The deaths themselves were hardly shocking in Guatemala. A still-smoldering civil war has claimed 120,000 lives since 1960, and human rights groups have recorded political murders and kidnappings by the hundreds in recent years.

"Look at it as the jaded senses of the Guatemalans," Skinner said. "We've been involved in this dirty war for 30 years... what's new? that a guerrilla happened to be killed by the army?"

The case took a surprising new twist late Thursday. Relatives of people missing and presumed dead in Guatemala

unaged that records tying military officers to the CIA had been stored at a military site ravaged by fire this week. The mutual aid group offered no proof of its charge about the files. But in a communiqué, the organisation said installations of the army's Corps of Engineers near the main airport here were used to keep "extremely confidential state intelligence archives and cases of profound relevance, such as lists of soldiers who worked with the CIA."

Meanwhile, even the claim that an army colonel was a foreign spy didn't seem to outrage or surprise most Guatemalans.

Col. Alpirez continues to serve as a deputy commander of the capital's main air base. President Ramiro De Leon Carpio met with Col. Alpirez Wednesday and told reporters there was no proof for the claims and that he suggested the colonel sue Mr. Torricelli in Guatemala and U.S. courts for defamation.

Guatemalans interviewed on the streets expressed no shock. "It's always the same," said mechanic Luis Avila at an auto electric shop, shrugging off the latest reports of CIA influence.

The CIA was responsible for a major turning point in Guatemalan history, organising the 1954 coup that overthrew leftist President Jacobo Arbenz.

In 1960 and 1961, Guatemala allowed the CIA to set up training bases for the disaffected Bay of Pigs invasion meant to topple Cuban leader Fidel Castro — a raid modeled in part on the successful 1954 operation.

The 1954 coup and the military-led governments that resulted helped inspire the outbreak of the civil war six years later. The military did not fully release the presidency until 1986 and it remains politically powerful.

## Britain, Sinn Fein hold surprise talks

BELFAST (R) — British officials met Sinn Fein, political wing of the Irish Republican Army (IRA), for unscheduled talks Friday to ease a deadlock in Northern Ireland peace moves.

Their task was to clear a way for the first ministerial talks between the Irish republican party and British government minister on a political settlement.

Sinn Fein, which seeks to reunite Ireland and Northern Ireland, wants talks to include a demilitarisation of the British presence — a phrase that would imply discussing a withdrawal of British troops and armed police.

But Britain says it will only discuss a "decommissioning" of Irish Republican Army weapons used in a guerrilla struggle against British rule until the gunmen declared a ceasefire last September.

The unannounced talks took place after more than a week of stalemate over a draft agenda for a ministerial-level meeting to underpin the peace process since the IRA truce.

Britain's Northern Ireland office said results of the meeting, convened to see if there was a basis for ministerial talks, would be referred back to the government.

Britain has refused Sinn Fein calls for the agenda to include a withdrawal of its 18,000 troops and disbanding of a 12,000-strong armed police.

It says it wants to discuss scrapping IRA arms used in a 25-year war against British rule until last year's ceasefire by the IRA and its pro-British Protestant loyalist foes.

Ministers say that IRA arms, which include ground-to-air missiles, cannot be put on the same level as weapons held by security forces to protect the 1.5 million population.

## Soviets feared U.S. strike after Kennedy killing

WASHINGTON (Agencies) — Soviet leaders feared a U.S. military strike against them after the 1963 killing of President John Kennedy, according to a high-level American cold war spy cited in documents.

Lifting the veil on one of its most successful counter-spy operations, the Federal Bureau of Investigation (FBI) disclosed its agents, posing as American Communists, had been privy to the thinking of Kremlin leaders and Cuban President Fidel Castro.

One of the trusted FBI informants reported that Soviet Communist Party leaders viewed Kennedy's assassination as a "coup" attempt by ultrarightist U.S. forces that could be used to justify an anti-Communist war.

"As a result of these feelings on the part of Soviet Officials, the USSR immediately went into a state of alert" after Kennedy was shot in Dallas on Nov. 22, 1963, the FBI informant reported to his



U.S. First Lady Hillary Clinton (right) and her daughter Chelsea Clinton wave from the terrace of the Taj Mahal Thursday during a break in the first lady's hectic 12-day tour of South Asia. Mrs.

Clinton and her daughter spent 90 minutes at the white marble mausoleum built by Emperor Shah Jahan as a mark of undying love for his wife Mumtaz (AFP photo)

## Protesters greet Mrs. Clinton in Nepal

KATHMANDU (AFP) — Angry leftist demonstrators chanted anti-U.S. slogans hurled black flags at U.S. first lady Hillary Clinton Friday as she arrived for a three-day visit to Nepal.

Police said 19 of the demonstrators, many of whom waved banners saying "Imperialist Yankees go home," were arrested at the airport after a group tossed a bundle of the black flags at the U.S. first lady in a sign of protest.

The flags scattered around the wife of President Bill Clinton and their daughter Chelsea, but neither was hurt.

The protesters were from the Communist United People's Front (UPF).

Another communist group, the United Communist Party of Nepal, took power in the country in legislative elections last November. Mrs. Clinton was due to meet the Communist leader, Prime Minister Man Mohan Adhikari later Friday.

The route taken by Mrs. Clinton's bullet-proof limousine, specially flown in

from the United States, was lined with further groups of angry demonstrators.

UPF official Tusi Humagai said 19 party members who were arrested had only been waving black flags and shouting slogans and that nothing was thrown.

Those arrested included the leader of the All Nepal Women Revolutionary Organisation, Hilsa Yemi, and the secretary general of the All Nepal Trade Union Federation, Kumar Dahal, Mr. Humagai said.

Before the incident, Mrs. Clinton and her daughter Chelsea were taken to the "Very Very Important Persons" (VVIP) lounge at Tribhuvan International Airport by Queen Aishwarya and Princess Shruti at the start of the third leg of their four-nation South Asian tour.

She was given a lively welcome by Nepalese girls in traditional costume, and greeted by acting Deputy Premier Khadga Prasad Sharma Oli, cabinet members, heads of foreign missions in Nepal and senior officials.

The U.S. first lady was to be received later Friday by King Birendra and Queen Aishwarya at the Narayanhiti Royal Palace.

She was later to discuss the government's wildlife conservation programme with Mr. Adhikari, a source close to the premier said.

Mrs. Clinton was to visit Kalimati Clinic in Kathmandu, attend a women's craft event and meet prominent Nepalese women at a tea hosted by U.S. Ambassador Sandra Louise Vogelgesang.

On Saturday, Mrs. Clinton is to visit the Royal Chitwan National Park, 110 kilometres (68 miles) south of Kathmandu and spend the night at the Tiger Tops Jungle Lodge in the park.

The last major U.S. political figure to make an official visit to Nepal was then-Vice President Spiro Agnew in the early 1970s.

Mrs. Clinton — who has already visited Pakistan and India — will fly back to Kathmandu Sunday and leave for Bangladesh the same day.

## Poles, snubbed for main World War II fest, may speak in German parliament

BONN (AP) — To make good for snubbing Polish President Lech Walesa at the main celebration of World War II's end, German officials have invited his foreign minister to address parliament in another ceremony.

Polish Foreign Minister Wladyslaw Bartoszewski was meeting with German officials in Bonn Friday to confirm the invitation and ease recriminations over Chancellor Helmut Kohl's decision not to invite Mr. Walesa to Berlin for the 50th anniversary of the end of the war, on May 8.

U.S. Vice President Al Gore, French President Francois Mitterrand, John Major of Britain and Russia's Boris Yeltsin were invited, but Mr. Kohl said that if he'd invited Mr. Walesa he'd have to invite leaders of all countries trampled by Hitler during the war.

The Poles, who lost 6 million dead and fought on every front with the allies, were hurt by the snub. Mr. Bartoszewski, an Auschwitz survivor and former underground fighter, said Poland "should not be absent or in the second row of importance" at the celebration.

Sources in parliament said Mr. Bartoszewski would be the keynote speaker at an April 28 special session of parliament to mark the end of the war. Polish embassy officials said the issue wasn't resolved, however.

Mr. Kohl has a history of wounding feelings and tumbling into controversies in his handling of anniversaries of the war.

Rudolf Scharping, the German opposition leader, charged Thursday that Mr. Kohl's failure to invite Mr. Walesa was as big a blunder as his 1985 trip with then-President Ronald Reagan to a war cemetery in Bitburg where SS soldiers are buried. International indignation resulted from the visit.

In part, Mr. Kohl's blunders result from the conflicting interests of the audiences he needs to please: Older

conservatives who are his core voters, and foreign allies whose confidence Germany must always retain.

Mr. Kohl said Thursday the 50th anniversary of the Nazis' surrender should be a time to mourn Germany's war losses as well as celebrate its liberation from Adolf Hitler.

Siding publicly on the issue with fellow conservatives in parliament for the first time, Mr. Kohl said the V-E Day ceremony in Berlin on May 8 should not just be a day of expressing gratitude to the allies.

Wolfgang Schaueble, Mr. Kohl's heir apparent and the leader of the Christian Democrats in parliament, suggested that Mr. Bartoszewski was to blame for making a diplomatic issue out of Mr. Kohl's decision.

"I'm not so sure the Polish foreign minister is so happy that he made a public issue out of something that one shouldn't go public with, since it has only made things harder," Mr. Schaueble said.

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## Explorer gives up bid to cross Bering Strait

PARIS (AFP) — French explorer Eméric Fisset has given up a solo bid to cross the ice-covered Bering Strait from Alaska to Siberia due to bad weather, his coordinating team back in France said Wednesday. The 33-year-old, who was attempting the crossing with nine huskies, decided to turn back when 60 kilometres away from Siberia because of "weather conditions which he preferred to return to Alaska," they said. He was picked up by services which monitor the glacier. They also picked up his huskies and sledge. His French team said he would make another bid at the crossing next winter.

## U.S. proposes resuming giant panda imports

WASHINGTON (AFP) — The federal government proposed to lift a moratorium on bringing giant pandas to U.S. zoos, saying new guidelines would boost efforts to save the endangered species. The new approach, which would allow the animals into the United States for study and breeding while channeling exhibition profits into protection efforts, "has the potential to be a giant step forward for panda conservation," Assistant Interior Secretary George Frampton told reporters. The proposals, which are subject to a 60-day period for public comment, would lift a temporary moratorium imposed in December 1993. They would not allow U.S. institutes to bring the animals into the country solely for exhibition purposes, however. The arrangement would channel profits from authorised exhibitions — estimated conservatively to reach some \$15 million annually — back to China to support the panda population and habitat protection efforts. "This would be a significant portion of the total (the Chinese) need," said Marshall Jones, assistant director of the U.S. Fish and Wildlife Service. The initiative has three key components: The first is to ensure that all loans or permits to import must be for captive breeding or research purposes. The second is barring animals that were intentionally captured after 1986 or that are older than 20 years. The third aspect is to set up safeguards to ensure profits from exhibition will go back to panda conservation.

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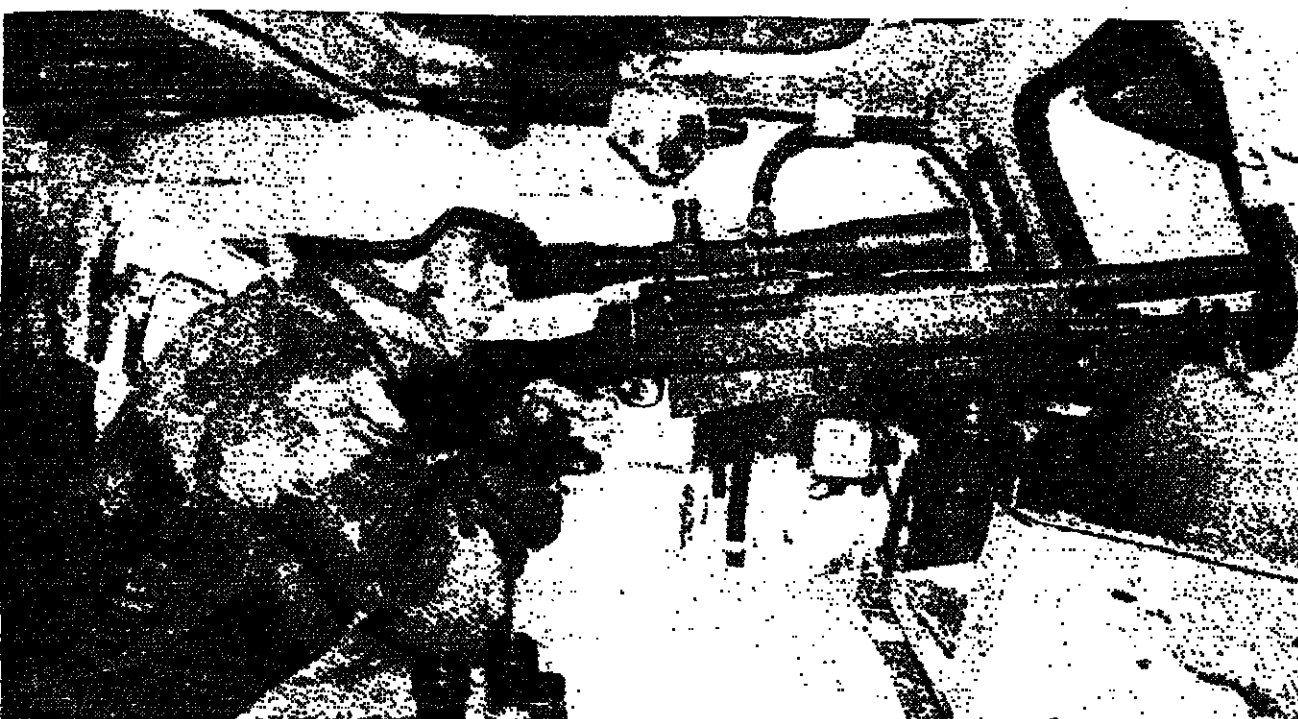
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China closes

visits Haiti

visits Haiti





A French U.N. soldier aims with his new precision rifle "Mc Millan" towards Bosnian-Serb sniping positions in the

centre of Sarajevo. The sharp shooting gun has a 12.7mm calibre (AFP photo)

## Tanzania closes border with Burundi

NAIROBI (Agencies) — Tanzania closed its border with Burundi Friday to halt an influx of tens of thousands of Rwandan refugees fleeing from Burundi after a series of clashes between Hutus and Tutsis, a U.N. official told AFP.

A spokesman for President Ali Hassan Mwinyi told AFP the government had not announced the border closure, but was not denying it.

The official with the office of the U.N. High Commissioner for Refugees (UNHCR) in Dar Es Salaam, who did not want to be named, told AFP by telephone that the government had sent troops to seal off the border and that Tanzania's minister of defence was in the area coordinating operations.

The U.N. refugee commissioner, Sadako Ogata, issued a statement in Geneva calling on all governments in the region "to respect the principle of safe asylum."

The exodus from the camps in northern Burundi started Tuesday after an attack on one of them that left 12 dead and 22 wounded, 17 of them seriously, and

ethnic clashes in Bujumbura that resulted in up to 500 deaths.

The unrest prompted the flight of tens of thousands of Burundian Hutus and Tutsis toward Zaire and the precipitate departure for "holidays" of several hundred whites.

The refugees — all Hutus — are carrying meagre rations on their heads and sleeping by the roadside.

Some 3,200 had crossed over into Tanzania by early Friday, before the border was sealed, UNHCR Nairo spokesman Peter Kessler told AFP, and the UNHCR official in the Tanzanian capital said it was likely others would be able to "sneak through" because of the length of the border.

The 200,000 Rwandan refugees in Burundi are among more than two million who fled last year's civil war in Rwanda in which Hutu extremists slaughtered more than half a million Tutsis and moderate Hutus but were defeated by Tutsi rebels.

A group of 21 Italians is to be evacuated from Burundi

Saturday, the Italian ambassador in Uganda said Friday.

Ambassador Marcello Ricoveri said the evacuees, mainly dependents of Italian expatriates in the central African country, will leave aboard an Air France flight.

Two embassy officials have gone to Bujumbura to make the necessary arrangements for the Italians' departure at 1345 GMT Saturday.

Paramilitary police killed 22 gunmen on a bus south of the Burundian capital and captured another 22, state-run radio and police sources said Friday.

They said 22 were killed Thursday by police who stopped the bus on the road to the town of Rumonge, 80 kilometres south of the capital. Police officers said the gunmen had come from Zaire and planned to attack a police post and army camp.

France said Friday a peace accord it brokered between rival factions in Burundi had brought temporary calm but added the global community must now quickly send food aid and disarm the militias to avert future violence.

## Japanese police step up crackdown on sect

TOKYO (AP) — Police Friday arrested two followers of the radical sect suspected in the nerve-gas attack on Tokyo's subway, part of a nationwide crackdown that could mark the end of the sect's kid-glove treatment by authorities.

No one has been arrested yet in connection with the subway attack. But in the wake of Thursday's shooting of the national police chief, police were seizing opportunities to take followers of the Aum Shinri Kyo, or Supreme Truth, sect into custody.

National Police Agency head Takaji Kunimatsu, shot four times in an ambush outside his condominium building, improved somewhat but remained in serious condition.

A manhunt for Chief Kunimatsu's assailant turned up clues: he had been stalked for days by a man in a black coat and shot by a gunman who fired with the precision of a professional hit man.

Aum Shinri Kyo has denied any involvement in either the shooting or the March 20 nerve-gas attack, which killed 10 people and sickened 5,500.

Police have seized chemicals and equipment for making nerve gas in raids at the sect's compounds, but they have been extremely careful to avoid an outright confrontation with a group, which has long claimed it is persecuted by authorities. For the first few days of the raids, police even claimed that they had nothing to do with the subway attack.

But that cautious stance was changing.

An internal police document distributed Thursday orders police nationwide to "root out" Aum Shinri Kyo followers, "utilising all possible laws," the Nihon Keizai newspaper reported Friday.

Police appeared to act on the directive quickly. In west-central Shiga prefecture, they arrested and held overnight two sect followers on charges of having an expired car inspection certificate.

In another prefecture, Shizuoka, police stopped a car for having an out-of-town licence plate. Inside, they found two Aum Shinri Kyo followers and some sodium, a potential explosive.

The followers were arrested for failing to carry the required permit for sodium possession, a police statement said.

The crackdown extended to the southern city of Fukuoka, where 100 investigators raided two local Aum Shinri Kyo branches overnight after a former follower told police he was beaten, given injections, and confined when he tried to quit the group.

Police have yet to publicly link Aum Shinri Kyo with either the subway attack or Thursday's shooting, but the cult is considered the prime suspect in the subway gassing.

Efforts to find police Chief Kunimatsu's assailant were hampered by the skillful execution of the attack.

Experts said only a highly trained gunman could have hit Chief Kunimatsu with four out of four revolver shots from more than 20 metres away, even if the gun used high-powered magnum cartridges, as some have speculated.

The assailant fled quickly on a bicycle, leaving only sketchy witness accounts.

## U.N. peace mandate in Croatia delayed over name

ZAGREB (R) — Feverish U.N. efforts to renew a peacekeeping mandate in Croatia, expiring at midnight Friday, have snagged on the politically charged issue of a name.

U.N. observers reported rising tension along U.N.-patrolled buffer zones between Croatian government and separatist Serb forces in the countdown to zero hour for 12,000 U.N. troops stationed in Croatia since 1992.

The government warned Friday it would kick them out this spring — reinstating a move reversed in March under Western pressure — if "Croatia" did not appear in the title of a renamed, revamped U.N. mission demanded by Zagreb.

Governing nationalists were insisting on the country name to reaffirm a series of U.N. resolutions, so far unenforced, certifying Croatia's sovereignty and territorial integrity.

Rebel minority Serbs who hold almost a third of Croatia behind U.N. truce lines were dead set in the waning days of the mandate on retaining its current name which implies protection of their internationally-unrecognised

breakaway domain.

The current title is U.N. Protection Force and most of its men are deployed inside the Serb-held Krajina enclave carved out in a 1991 revolt against Zagreb's secession from Serbian-led federal Yugoslavia.

A draft U.N. Security Council resolution to be debated Friday in New York would change the Croatia mission's name to U.N. Confidence Restoration Operation (UNCRO).

Meanwhile British U.N. soldiers rescued the 76-year-old commander of the Croatian army and 20 of his men from a military convoy trapped in snowdrifts in a howling blizzard for around 12 hours, U.N. officials said Friday.

General Janko Bobetko, an ex-World War II partisan fighter, and other men including the commander of the Bosnian Croat militia were stranded on a mountain road in western Bosnia.

The 11-vehicle convoy was discovered Thursday, eight hours after a half-frozen Croat soldier stumbled into a British U.N. camp saying his convoy was marooned down the road, said U.N.

Lieutenant-Colonel Barry Hawgood.

Col. Hawgood, spokesman for the British forces in the U.N. peacekeeping force (UNPROFOR) in Bosnia, confirmed earlier reports that five Croat soldiers had been found frozen to death by a British snowplough rescue team.

Meanwhile rebel Serbs claimed swift successes Thursday in a promised counter-offensive against advancing Bosnian government troops.

The Serb military said it had recaptured several strategic points and encircled some Bosnian government troops in the Majevica Mountains in northern Bosnia, the Yugoslav News Agency, Tanjug, reported.

Stung by two successful offensives launched ten days ago by the Bosnian government, Serb leader Radovan Karadzic had threatened a counter-offensive and has vowed to drive the Bosnian government to surrender.

Government troops have been trying to take a vital Serb communications tower at Stolice in the Majevica Heights, and for the past several days were reported to have it surrounded. But the

Tanjug report gave no details of the Serbs' alleged successes, and U.N. officials could only confirm artillery battles in the area.

In central Bosnia, U.N. officials confirmed a Serb counterattack on Mount Vlasica, where government troops have gained about 50 square kilometres of territory and a communications tower.

In an interview with the Italian daily L'Informazione, Mr. Karadzic suggested the government offensives fit into the Serbs' overall strategy: "Make the Muslims enter our territory and then eliminate them."

"We are determined to go all the way until our enemy's capitulation," Mr. Karadzic said. "We will even take the cities protected by the U.N."

There has been speculation that the Serbs might try to overrun one or all of three small eastern Muslim enclaves which are among six U.N.-declared "safe havens."

Reflecting the mixed signals he has given since his troops were surprised by the government advances, Mr. Karadzic said he was still open to negotiations but put the onus on the West.



A Chechen woman carries her belongings on a carriage as she walks past a Russian APC on her way back to Grozny. Some

150,000 of Grozny's residents have come back to the Chechen capital (AFP photo)

## Russia takes last big Chechen stronghold

MOSCOW (R) — Russia said Friday its forces had taken the last major rebel base in Chechnya, putting more than two-thirds of the breakaway region under the Kremlin's control.

A Defence Ministry spokesman said Russian troops had captured the rebel stronghold of Gudermes, Chechnya's second biggest town 45 kilometres east of Grozny.

If Shali and Gudermes are in Russian hands, Moscow's forces would control some 80 per cent of rebel-held territory in Chechnya.

But the conflict, which has killed several thousand people, displaced many more civilians and isolated President Boris Yeltsin at home and abroad, is unlikely to come to a quick end.

Chechen independence fighters have said they might eventually wage a guerrilla war from the Caucasus Mountains in southern Chechnya, where narrow, winding roads make it difficult for Russian troops to deploy tanks and armoured cars.

Russia has repeatedly said

there was no news from the Chechen side.

Earlier, TASS said Russian forces had given rebels in Shali until 10 a.m. (0600 GMT) to lay down their arms or face attack.

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the military part of their operation is effectively over and armed forces are handing over to Interior Ministry troops. But such statements have not been backed on actions.

Russia sent thousands of troops backed by tanks and aircraft to end Chechnya's unilateral independence bid on Dec. 11, but has been unable to quell dogged resistance by local fighters.

First Deputy Prime Minister Oleg Soskovets said Friday that active military operations in Chechnya would cease following the capture of Shali.

It quoted Mr. Soskovets, in charge of a government commission dealing with the rebel area, as saying in Moscow that "active combat actions of the territory of the Chechen Republic will stop" after the seizure of Shali.

Chechen Foreign Minister Shamseddin Yusuf, addressing an Islamic conference in the Sudanese capital Khartoum, Chechen President Dzhokhar Dudayev continued to offer Moscow peace nego-

tations despite the offensive.

He said: "President Dudayev held out his hand from Grozny, when it still existed, to establish friendly, neighbourly relations with Russia."

"His hand is still extended today. Will President (Boris) Yeltsin answer this call for peace, or will he continue his aggression and add his name to the list of tsars and Bolsheviks who went before him?"

Mr. Yusuf, who was repeatedly applauded at the conference, urged Arab and Muslim leaders to "assume responsibility in stopping the massacre of the Chechen people or at least to condemn the killing."

He called on Washington to mediate between the warring sides, blaming the United States for "giving Moscow the green light for the massacre." Washington has maintained that the conflict between Moscow and the rebel Muslim republic which declared independence three years ago is a domestic problem.



A group of Hutus flee into the hills of Gishungano just outside Bujumbura. Up to 500 people have died in clashes between majority

Hutu and minority Tutsi in Bujumbura over the past two weeks (AFP photo)

## Clinton visits Haiti grappling with violence

PORT AU PRINCE (AP) — Five months after ordering U.S. troops to the brink of battle in Haiti, President Bill Clinton visited the Caribbean nation Friday to celebrate the U.S. role in restoring its government. The visit was marred by allegations President Jean-Bertrand Aristide's administration was involved in a political assassination this week.

Arriving from Florida, Mr. Clinton strolled slowly on a red carpet on the airport tarmac. At a small platform, Mr. Clinton stood next to Mr. Aristide, hand over heart, as a Haitian band played the U.S. national anthem.

The nine-hour stop coincides with ceremonies in which the U.S. military will turn over control of the international peacekeeping force to the United Nations. As a result, the American military force there will be cut roughly in half, to about 2,400.

It was just five months ago that Mr. Clinton ordered U.S. troops into Haiti, as part of a plan to force out the military government that had sent the democratically elected Aristide into exile.

So Mr. Clinton's historic visit was designed as a celebration of freedom and peace. But, on the eve of Mr. Clinton's arrival, a senior administration official turned reports in Haiti that Mr. Aristide's interior minister, Brig. Gen. Mondesir Seabrun, had been implicated in the plot to kill an outspoken Aristide critic, Aileille Durocher Bertin.

Eager to trumpet a foreign policy success, the White House Friday played down allegations that new democratic government was connected to the assassination. "You can't put us in the

position of assuming that something is true without an investigation," White House Press Secretary Mike McCurry told reporters travelling with Mr. Clinton.

Mr. Clinton himself recalled that Mr. Aristide had promptly asked for help investigating the assassination, showing his willingness to bring an end to political violence in Haiti.

"As soon as the killing occurred, he asked for help," Mr. Clinton said of Mr. Aristide. "So I think that is some sign of evidence that he wants to get to the bottom of this."

At Mr. Aristide's request, FBI agents were sent to Haiti earlier this week to investigate the allegation.

Mr. Clinton's visit, the first by a U.S. president since Franklin Roosevelt in 1934, included an address to U.S. troops, at a camp called "Warrior Base Haiti."

The U.S. military presence, which peaked at 22,000 troops, will drop to about 2,400 by mid-April. That will be less than half of the planned 6,000-member U.N. force, which will remain in Haiti until next February. An American officer will command the international force. U.N. Secretary-General Boutros Ghali accompanied Mr. Clinton to attend the official transfer of authority.

Mr. Clinton called the military effort "almost a modern miracle." But amid lingering violence, he warned that the fate of Haiti's democracy now rests with Haitians. "What they need to do is keep things calm," Mr. Clinton said.

After greeting U.S. soldiers, Mr. Clinton was to address the Haitian people from the same presidential

palace where the diplomatic team headed by former President Carter persuaded Haiti's military junta to give up last October.

Troop-filled planes were en route to Haiti until the 11th-hour diplomatic breakthrough turned a planned invasion into a peaceful occupation.

For a president dogged by criticism of his policies toward Bosnia, China, Russia and Somalia, Haiti offers Mr. Clinton a tenuous foreign affairs victory, through a mission that was roundly criticised by Republicans.

One American has been the victim of hostile fire since the U.S. occupation, whereas administration officials had worried there would be more. And Mr. Aristide, called a polarising demagogue by critics, welcomed U.S. troops and has been an unbending advocate for reconciliation with his former foes.

Mr. Aristide's democratic movement will be tested quickly. Legislative and local elections are scheduled for June 4, with more than 1,000 candidates on the ballot. Presidential elections are set for November.

Haiti has been promised \$1.2 billion in international assistance over 18 months, 25 per cent of which will come from the United States.

U.S. officials said the administration had received word several days ago that Ms. Bertin was a target of a death plot. She was informed of the threat but decided to rely on her own bodyguard.

Her assassination, the wounding of an American couple in a robbery, and persistent street crime are reminders that the transition to democracy is hardly smooth.

## Chirac says French jobless fall 'insignificant'

PARIS (R) — Conservative French presidential front-runner Jacques Chirac dismissed the latest fall in unemployment as insignificant Friday and called for a more ambitious job-creation policy.

Mr. Chirac's fellow Gaullist rival, Prime Minister Edouard Balladur, seized on February's 10,200 drop in the jobless total, the fifth successive monthly fall, as evidence that France was on the road to recovery after his two years in office.

Unemployment, which officially stands at 3.3 million, or 12.3 per cent of the workforce, is the top issue in the campaign for the April-May election to choose a successor to President Francois Mitterrand.

Mr. Chirac in an interview with Europe 1 Radio accused the Balladur government of masking the true extent of unemployment by excluding people on short-term community service contracts.

"Since 1993, unemployment has increased statistically by 230,000, if you include the (community services contracts) created that makes 350,000 more jobless in two

years," he said.

"That proves clearly that our approach to this problem is a bad approach. The proof is that in the countries surrounding us, the situation is much, much less serious."

"So 10,000 fewer unemployed is not something with which we can be satisfied. So much the better, but it is not significant and it is not ambitious enough," Mr. Chirac added.

Socialist leader Henri Emmanuelli accused the government of massaging the figures to show an artificial drop in February, the last month for which statistics will be published before the April 23 first round of the presidential election.

An abnormally large number of short-term community service contracts and youth training schemes had suddenly been created, he said.

Mr. Balladur, who has set a goal of reducing unemployment by one million over the next five years, told a European Union labour conference Thursday that the French economy had created an additional 220,000 jobs in 1994.

The prime minister made

three new electoral promises in the Paris suburb of Pontoise Friday, pledging to increase retirement and widows' pensions in January 1996 and create a new welfare benefit for senior citizens who require permanent care.

"Priority must obviously be given to increasing small pensions, which must fully benefit from the improvement in the economy," Mr. Balladur said on opening a new retirement home.

Opinion polls show old people are the core of Mr. Balladur's support and now the only age group in which he leads Mr. Chirac.

The latest poll Friday showed confidence in Mr. Balladur had fallen a further four points in a month to stand at 45 per cent.

The Sofres Institute poll for Le Figaro magazine also showed that Mr. Chirac had spectacularly overtaken Mr. Balladur as the conservative politician most voters wanted to see play a more important public role in future.

Mr. Chirac was up 10 points at 61 per cent in April, while Mr. Balladur fell six points to 49 per cent. On the left, Socialist candidate Lionel

Jospin fell five points to 51 per cent.

Mr. Chirac rejected calls from both his rivals for a television debate before the first round, saying it would be "a circus, a battle."

He said: "A debate of this nature is not timely now and would fuel pointless battles."

Both Mr. Balladur and Mr. Jospin called Thursday for a debate before the first round of the April-May election to decide a successor to president Francois Mitterrand.

"The French have today perfectly understood that there are different visions — one based on continuity, one based on change and the Socialist one," said Mr. Chirac.

Mr. Balladur, fighting to revive his flagging presidential campaign, in an interview published Friday challenged his two leading opponents to a three-sided televised debate.

"I have several times proposed a debate to one or the other ... in order to make it easier. I propose that all three debate together. I am prepared to face (Jacques) Chirac and (Lionel) Jospin together," he told the daily Sud-Ouest.



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## Refreshing start

STAGNATION IN the peace talks on both the Palestinian-Israeli and Syrian-Israeli tracks requires imaginative and fresh ideas to push the process forward. Such ideas are coming from both Israel and Russia.

The Russian foreign minister, Andre Kozyrev, is currently in the Middle East with the old-new talk of fresh ideas to enhance the process. The Russians have, as of late last year, been advocating a new Madrid formula to lay down new rules for the peace process. Mr. Kozyrev, who met Syrian President Hafez Al Assad on Thursday, was reported to be carrying "fresh Russian ideas to reinvigorate the peace process."

The most constructive ideas, however, have come from the Israeli deputy foreign minister, Yossi Beilin. Mr. Beilin was reported from the U.S. as having: a) called on the U.S. to play a more active role in the peace talks, b) advocated the immediate start of final status negotiations with the Palestinians, and c) urged American Jewish organisations to refrain from criticising the Palestinian leadership.

Driving his point home, Mr. Beilin said that active American involvement had secured the resumption of the talks between Syria and Israel. Had Secretary of State Warren Christopher made his last visit to the region a month earlier, Mr. Beilin observed, the talks between Syria and Israel would have resumed a month earlier.

The point at which Mr. Beilin's call for the start of final status negotiations with Palestinians coincides with Mr. Kozyrev's new ideas is very significant, especially that the Americans seem to recognise that they need to directly involve themselves in the process. Mr. Christopher's sitting in on the meeting between the Israeli and Syrian ambassadors in Washington was an example of the U.S.'s recognition of the vital role it can play.

Whether, at the end of the day, it is Moscow's fresh ideas or Mr. Beilin's call for acceleration of the talks, the peace process, bogged down by its own mechanism, can use a fresh start. The enthusiasm of both Washington and Moscow and their sense of urgency are in themselves refreshing.

## ARABIC PRESS COMMENTARIES

AL RA'I Arabic daily said in its editorial Friday that Jordan's principled stand on peace in the Middle East is the stand that should prevail in all countries involved in the Arab-Israeli conflict because such a stand is the real guarantor of peace and stability in the region and is the basis for economic and social development. The newspaper said real peace is the peace that brings positive and essential change that can be felt by the peoples of the region as His Majesty King Hussein told the Foreign Affairs Committee of the American Senate and other decision-makers in Washington. It said such a stand won King Hussein's peace efforts American appreciation and full commitment to supporting Jordan in all fields, whether in terms of debt forgiveness or in renewing the American pledge to continue to support the peace process as provided for in the Madrid peace conference. This was also why the American Senate voiced appreciation of Jordan's vital and distinguished role in seeking to achieve peace in the region.

AL DUSTOUR Arabic daily dealt with His Majesty's call at a meeting with the U.S. Senate's Foreign Affairs Committee for joint action to enhance the concept of peace in the Middle East at a time when the peace process is passing through a decisive stage and the people of the region are bracing for receiving the economic dividends of the process. The paper said such a call is important for three factors. The first of these factors, it said, is that the call is issued by King Hussein, who led his people with firmness, courage and foresightedness to the threshold of a just and honourable peace and through calculated risks that require the support of the sponsors of the peace process. The second, the paper added, is that the people to whom the call was made are the members of the U.S. Congress, which hold one of the most important keys to the American foreign policy in the Middle East. The third factor is that the peace process now needs all the support it can meet because it is facing grave difficulties.

## Jordanian Perspective

# No room for questioning Jordan's commitment to peace

By Dr. Musa Keilani

IT IS TOO EARLY to determine the definitive outcome of His Majesty King Hussein's visit to the United States and his talks with President Bill Clinton and other senior administration officials and congressmen. But one thing is clear: The King left no room for any question on Jordan's commitment to peace and sincere wish to see comprehensive peace in the Middle East as well as the Kingdom's willingness to help advance all tracks of the Arab-Israeli peace negotiations.

The Kingdom's choice of peace did not stem from short-term considerations but from a deep conviction that the future of the region and its people could be served only in a state of peace, stability and security. That choice happens to be in the interests of not only the United States but also all peace-loving nations.

Having made peace with Israel, Jordan now faces the challenge of ensuring that peace reflects on people's life. And that is where the United States and all others come in. If the objective of the whole exercise of the peace process was to ensure security and stability in the region and eliminate the shadow of conflict hanging over people's lives, then Jordan had done its part, and others have to play their parts. In the meantime, it is essential that Jordan is helped to consolidate peace and translate it into a better life for its people. Time and again, this has been made clear to everyone concerned, but very unfortunately the idea did not seem to have penetrated the minds of many who are in a position to extend help to Jordan.

In any event, the King left no ambiguity when he told the Americans that signing a peace treaty with Israel did not mean all is well and the international community could simply forget about Jordan and its needs. Maintaining that peace is a major task that confronts the Kingdom and it needs help. If such help was not forthcoming, then it would only boost the forces of extremism in the region and they could even reverse the process of peace.

"The Kingdom's choice of peace did not stem from short-term considerations but from a deep conviction that the future of the region and its people could be served

only in a state of peace, stability and security. That choice happens to be in the interests of not only the United States but also all peace-loving nations."

The very American internal political melee over debt relief for Jordan was unexpected, to say the least. For one thing, it was taken for granted that the Clinton administration would have no problem pushing through a request for the relatively small amount of \$275 million to write off Jordan's debts. Based on that consideration, the focus was on American help for Jordan beyond debt relief and in terms of direct economic and military assistance.

By triggering an internal crisis within Congress over the debt relief for Jordan, American politicians effectively steered the focus back to the issue at the expense of the Kingdom's quest for direct aid from Washington. Perhaps this served the purpose of many in Capitol Hill, given that it became easier to argue about the debt relief while the issue of direct assistance was put in the back burner.

The King's talks with American leaders last week were, therefore, two-pronged. On the one hand, the issue of debt relief could be pushed, but more importantly on the other, the King's visit to Washington was indeed an excellent opportunity to present Jordan's case to American lawmakers and decision makers. The King has done precisely that.

Many American lawmakers, whenever they take the floor in any debate on the Middle East, go out of their way to highlight the threat of Muslim fundamentalism and extremism against "Western values." They give very little credence to the fact that Islam as a religion has little to do with what they consider a threat and that many of the acts of violence that the region is witnessing could be traced back to people's frustration over the injustices they have suffered for long. Of course that is no justification for violence, but the reality could not be brushed aside.

As such, the same American lawmakers would be well-advised to take into consideration that improving people's life also means creating something that people would cherish and would balk at risking, whether in Jordan or anywhere else. And if Jordan is unable to do that, then the only beneficiary would be those who nurture negativism at the expense of forward-looking optimists willing to play their part to advance the quest for a better life for all of us in the region.

## Remembering failures of Arab League

By Pascal B. Karmy

MARCH 22 marked the 50th anniversary of the establishment of the League of Arab States, which includes 22 members. Regrettably, though, the League has not been able to achieve the expectations and national aspirations of the Arab peoples. In fact, it has proven to be the league of states rather than of the Arab people. Thus, all differences or disputes which occurred among the member states adversely impacted upon the Arab people.

A foreign observer may wonder why the Arab states do not act in unison despite the fact that they have many things in common. These states have the same language, religion, culture, traditions and shared history with some slight differences. Arab states should despite the internecine wars which they had waged against each other for many centuries, they closely and intimately cooperate and speak almost in one voice in international forums. They form one of the biggest and most influential and economic blocs in the world and can compete with the American and Japanese blocs. The 15 states of the EU states have almost lifted the controls and seven of them have gone so far as to allow their citizens to cross the borders of each other without passports or identity cards.

The Arab citizen wonders when similar facilities will be made available for Arab citizens, let alone non-Arabs, so as to ease the difficulties of travel from an Arab country to another. It is indeed incumbent upon the Arab states themselves to make the league work and be powerful and prestigious and to consequently transform the league into one of the world's political and economic units or blocs that should be respected. The Arab states, which presently have more than two hundred million people, should help emerge the league's activities so that it will become the symbol of a united Arab will and determination in the face of the so-called new world order in which the weak will be subdued if not annihilated. It is high time for the Arab states to stand together against external threats and aggressions on the Arab peoples and to force Israel to withdraw from occupied Arab territories.

But it is regrettable that the Arab states very often absolve themselves of responsibility for failures, particularly in the political field and blame these failures on the league, forgetting their own inveterate divisions and conflicts.

The Arab League succeeded in averting the invasion of Kuwait, by the government of Abdul Karim Qassem in Iraq in 1973. But it has unfortunately failed to solve the crisis resulting from the invasion of Kuwait by Iraq in 1990. This unjust invasion presented one of the rare opportunities which the Arab states should have seized to enhance the prestige of the Arab League by taking immediate urgent steps to solve the crisis. They should not have left it to the United States and other foreign powers to intervene by waging war on Iraq in conjunction with some member states of the Arab League, thus causing a deep division and disarray among Arab states, with their effects still prevailing to the detriment of the Arab people.

However, to do justice to the Arab League, we should mention some of the positive aspects of the league's activities. The league has endeavoured to play a role in international politics as it has a permanent representative at the United Nations and has contributed there to the decolonisation of many countries which were under European rule. It has affirmed non-alignment within the Non-Alignment Movement and encouraged African-Arab cooperation based on common interests. It has helped create the Palestine Liberation Organisation (PLO) in 1964. It has vigorously defended the right of Palestinians to self-determination in international forums and conferences, and it has kept up the boycott of Israel, which should be strictly maintained, until Israel has completely withdrawn from Palestinian, Syrian and Lebanese territories.

It has helped create the Palestine Liberation Organisation (PLO) in 1964. It has vigorously defended the right of Palestinians to self-determination in international forums and conferences, and it has kept up the boycott of Israel, which should be strictly maintained, until Israel has completely withdrawn from Palestinian, Syrian and Lebanese territories.

## Arab World remains divided to the detriment of all Arabs

By Sa'eda Kilani

JORDANIAN WRITERS and columnists last week lamented the dissent and disunity that prevails in the Arab World as they contrasted the lack of democracy in Arab countries with the European success with the European successful attempts at unification. Columnist Sultan Hattab said the Schengen Treaty, which allows free travel between seven European countries, is the gift of the European Union (EU) to its peoples. This is a treaty that is forged by the will of the people based on democratic principles and carried out by consensus of all European citizens, he added.

We the Arabs, despite our dire need for unity, could not translate any of our aspirations and ambitions into reality, he said. On the contrary, our dissent is entrenched because we drowned ourselves with slogans, he added.

Now an Arab citizen can move freely between the European capitals easier than moving inside his/her own country, he said. It took me only two minutes to pass from France to Switzerland. I felt so bitter, he said.

Ali Safadi, a weekly columnist at Al Dustour, said that when he heard of the Schengen Treaty, he wished the same would happen in all Arab countries. Despite all historical links that bind Arab countries, and despite the fact that the Arab people speak the same language, they implement a totally contradictory policy to their ambitions, he said.

The travel restrictions in some Arab countries are getting more and more complicated, Mr. Safadi said. Travellers would stay for a very long period of time trying to pass through a checkpoint from one Arab country to another, he added.

Mr. Safadi said that while Arab media continue to speak of good relationships among Arab countries, the situation is totally different. Not only travellers have to pass through tedious procedures, but they are also subjected to all kinds of questioning and prolonged investigations. Under the current circumstances, how can we blame Arabs for vacationing abroad? he said.

He said it would be in

and early 1990s. This regression raises all sorts of fears and frustration, he said.

Mr. Razzaz called on all Arab intellectuals and foreign experts in Arab and Middle East affairs to look into the root causes of this crisis and methods of overcoming it.

Fahed Al Fanek, a columnist at Al Ra'i, contended that normalisation was more dangerous on Israel than on Arab countries. In his column, entitled the dangers of normalisation, Dr. Fanek attributed the Arab writers' recurrent admonitions of the repercussions of normalisation on Arab countries to psychological factors, or to suspicion complex.

He said the success of the successive administrations have until now ignored this issue and did not solve the problem. These members, said Mr. Aloush, who is also a member of the association, have acquired certain rights and will continue to pose a threat to the association unless a solution is found.

In the weekly Shihani, Toujan Faisal criticised the Artists Association for seeking actress Shafiq Al Tal for her role in Egyptian series, Layali Al Hilmieh, which, the association said, hurt the reputation of Jordan.

Ms. Faisal, who is a member of the Lower House of Parliament, said that unions and associations are essential factors for the progress and prosperity of democracies in the world and therefore should not be used as a new repressive tool and a dictatorship authority. Referring to the Jordan Press Association, which she says, has been transferred into a repressive authority, Ms. Faisal warned of monopolising unions and exploiting them.

Israel's interest to resolve the Arab-Israeli conflict, by military means rather than by peaceful means because Israel has a superior technology and the advantage of being more powerful. In the case of an Arab-Israeli confrontation, either on the cultural level or on the economic levels, the Arab side will prove to be more powerful.

In Al Ra'i newspaper, Mufid Nahleh called on writers and intellectuals to rise up to their responsibilities and protect the Jordanian Writers' Association from all kinds of troubles that have been raging among writers for over two months. He said writers, who have been fighting over the issue of normalisation, should have a unified and clear stand to elect the perfect president and administrative body (on April 7) who would be capable of saving and protecting the literary body in the country.

## LETTERS

### Seeming ghosts in broad daylight

To the Editor:

REGARDING THE article in March 29 issue of the Jordan Times, by Michael Stott, Reuter, on the subject of democracy in Latin America, I wish to clarify some points in relation to Brazil.

First, the case of police brutality which is referred to by the author is being dealt with under the law. The perpetrators of such a hideous crime have been arrested and are being prosecuted. Unfortunately for mankind, acts of brutality on the part of police officers are not exclusive to Brazil or to Latin America.

Second, the author does not clarify the reasons why the Tulane University professor is not optimistic about democracy in Latin America. It is hard to understand the reasons why you are not contributing to democracy by implementing electoral reform and cleaner elections? Maybe Mr. Stott was hard pressed for time to produce his article and did not bother to substantiate Professor Camp's assertion.

Third, no country can be a democracy "only because the law says so". That is true for any country. However, if the laws are not there, to assure that people can exercise their rights, no political system will ever be perfected.

Fourth, I fail to grasp the relation the author establishes between the authoritarian past and present problems. Maybe he is seeing ghosts in the broad daylight of the total freedom of expression and open elections that have prevailed in Brazil for the last 10 years.

Fernando S. Alves,  
Ambassador of Brazil,  
Amman.

### 'An enchanting experience' in Jordan

To the Editor:

IN PREPARATION for our self-guided tourist trip to Jordan, I surveyed the travel sections of various on-line computer bulletin boards. Concerning potential dangers such as theft, the experienced respondents answered that I could leave a suitcase on a street corner and it would still be there a week later. I thought this was unbelievable - until my wife and I visited the country last month and became a believer.

On the second day of our trip, suffering from jet-lag, we stopped for coffee at an outdoor cafe in Petra, the rose-red city as old as time - a highlight of any tour to Jordan. After coffee we walked around for several hours and headed back to our hotel. When I looked for the room key I realised my backpack was not with me. In addition to the room key, my backpack contained all the airline tickets for three additional countries, prepaid tickets for tours in Egypt and Italy, traveler's checks, all my credit cards, and all my money. Basically I felt that I would have to cancel my entire trip and try to figure out how to get home at a loss of thousands of dollars.

I returned to the outdoor cafe where we had coffee, but the backpack was not there. I asked everyone if they had seen it and was told to check at the Tourist Police Station. I figured this was a brushoff, and held out little hope. I found the police station and was told to sit down and wait. At that point I was the most dejected, disappointed traveller that ever was.

Imagine my surprise when several policemen came out from a back room with my backpack and inventoried all my belongings. Not one thing was missing! We all celebrated by sitting around the Tourist Police Station in a circle, drinking their hot sweet tea and making toasts to each other and to the bedouin who had turned in my backpack. The recurring phrase they used was "Welcome to Jordan", which I repeatedly heard from all the locals I met during the remainder of my most delightful and memorable trip.

If you want to have an enchanting experience with wonderful people and unique sights, take a few days to skip across the Sinai and the Jordan River and visit this newly opened country whenever you schedule a trip to Israel or Egypt. You will feel as welcome as we did.

By the way, I tried to reward my bedouin friend. He would not take money, but made me promise to go home and tell all my friends about the hospitality of Jordan.

Thomas G. Sosinski,  
Newberry, Fl.,  
The United States.

The Jordan Times welcomes letters and contributions from its readers on any subject they wish to tackle. Letters intended for publication, however, should contain the writer's full name and preferably address as well. Names can be withheld only upon request and under special circumstances. Letters are subject to editing. The newspaper is not responsible for the return of unused manuscripts.



# ARAB BANK

## CHAIRMAN'S MESSAGE

Dear Shareholders,

Various efforts were made in 1994 to resolve the Arab-Israeli conflict, beginning with the Oslo Agreement and ending with the Jordan-Israel peace treaty, and continuing discussions are still being undertaken regarding the occupied Golan Heights and the South of Lebanon. It is hoped that these efforts will promote the creation of a stable environment, but the expected peace dividends may not be achieved in the near future. This is because securing peace requires the establishment of justice and this has not yet been attained.

Events of the coming years will decide the final outcome of the peace process, and the future will be determined by the Israeli commitment to the substance of the agreements. Jerusalem should be returned to Arab sovereignty together with Arab Palestinians' rights and land. The Golan Heights should be returned to Syria and South Lebanon with its water returned to Lebanon.

The Palestinian people should be able to handle their affairs, democratically. This will help them honour their commitment to peace and lead to a meaningful relationship with Jordan.

The economic development and prosperity of the Arab people are vital ingredients for political stability. Peace should not only be used to access the Arab markets. The world's advanced industrial nations should participate in both the economic and technological development of the Arab world. On the other hand, the Arab countries should unify their efforts and resolve their differences so as to protect their legacy and promote their culture. To meet the continuing economic challenges, appropriate laws and regulations should be established to facilitate the organised and efficient transfer of goods, capital and manpower within the Arab World.

The history of the Arab Bank has been entwined with the history of the Arab people, and the Bank is positioned as a major player in the economic development of Palestine. It has already reopened its branches in Gaza, Nablus and Ramallah, and opened a new branch in Jericho. More branches are planned for opening within the next few months. Arab Bank will also participate with a majority share in the Arab Palestinian Investment Bank, a full-fledged commercial and investment banking entity operating in the self-rule areas. The other shareholders are International Finance Corporation - IFC (25%), Deutsche Investition- und Entwicklungsgesellschaft MbH - DEG (25%), Palestine Investment and Development Co. Ltd. - PIDC (5%) and local investors (4%).

1994 was a turning point for the economic and financial affairs of the Arab world. Previously committed expenses have drained liquidity from several countries. Spending on long-term investments and operational activities declined. Private sector business which relies heavily on public spending, declined substantially, thus adding to the stagnation in the markets. Shortage of liquidity was witnessed as a result of these difficulties. Ready cash and liquidated investments were repatriated from the international financial markets back to the Arab World.

That investment opportunities in the Middle East are as good as those in international markets was proven in 1994. Another important observation, which may be considered as a lasting implication of this phenomenon, is the absence of easy funds available in the Middle East for international financiers. The Arab markets will most probably be net importers of liquid funds in the future rather than net exporters, especially after

the move in several countries to privatise publicly owned entities. Financial institutions wishing to operate successfully in these markets have to adopt more positive views towards investment in this area.

The management of Arab Bank has always worked as a positive and effective contributor to the development of the economy of the Arab world in the countries where the Bank operates. The prevailing circumstances are most appropriate to achieve our objectives and Arab Bank looks to the future of the Arab world with confidence and with great expectation.

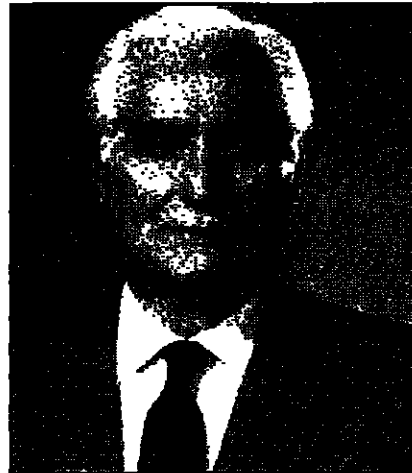
The major changes that began in the financial markets in the 1980s and early 1990s have reached maturity. Deregulation and integration have been allowed to progress and have released powerful market forces that have improved capital market efficiency globally. Deregulation has accelerated a convergence of financial regulatory practices around the world, allowing non-banking firms to gain greater market access. This has increased competition for market share, not only because fixed commission and distribution structure have been eliminated, but also because new players have been allowed to enter formerly restricted national markets. The last few years have also brought important changes for the multinational banks as they have discovered that the world of finance is more closely linked across international borders than ever before. Globalisation of the financial markets has not only produced new opportunities, but has also exposed banks to tough competition from large and efficient foreign financial institutions.

What has emerged, however, is a fast changing industry. Adaptation in such an environment is the key to survival. Through adaptation, the leading financial institutions will be better able to manage risks. They should have a deep commitment to serving clients before acquiring benefits from them. The financial institutions that can adapt successfully are those able to offer the most up-to-date, responsive, comprehensible and useful services. Proficiency in capital markets requires real time knowledge of the world's major financial markets as well as trading skills, distribution capability and the ability to manage and hedge all kinds of financial risks.

Arab Bank management understands the dynamic forces that are reshaping the banking industry. The difficult process of adaptation and adjustment is an ongoing phenomenon. Arab Bank is complementing its branch network continuously, and automation and modernisation of its financial services are key issues in its operations. Clustering a wide range of financial products according to different market characteristics has also been a key feature of its strategy. Arab Bank's resources are employed to enhance its services to its clients and it works to satisfy the needs of its customers in a simple and direct manner. The Bank never takes quality for granted.

The results of your Bank in 1994 were good, in spite of continuous changes in the international financial markets and the indecisive attitude which prevailed in the Middle East as a result of the continued activities relating to achievements of a political settlement in this area.

I am pleased to announce that the net income of Arab Bank Plc increased to JD 70.5 million from JD 59.5 million in 1993, representing a growth rate of 18.5%. These results were achieved for the first time in the history of your institution. Net income for Arab Bank Group reached US\$ 141.2 million, representing an increase of 31.7% over



the 1993 figures. Total assets reached JD 8,296.2 million in the Bank and US\$ 14,486.1 million in the Group. The stability in the Group's assets is a direct result of the tightening of the money markets in the Middle East as well as of the fluctuation in exchange rates. On the other hand, the Group's liquidity remained higher than local and international norms. Total cash and quasi-cash to total assets was 58.9% at the end of the year for the Bank and 59.3% for the Group.

The Bank continued its constructive effort in building its risk assets. Total loan portfolio (net of doubtful debt allowance) reached US\$ 5,108.5 million in the Group at the end of 1994 compared to US\$ 4,313.9 million at the end of 1993. The growth of US\$ 794.6 million reflects the results of the Group's efforts to expand its prime quality lending, its success was limited by both the political and economic factors which dominated the international markets in general and the Middle East market in particular.

The Board of Directors of Arab Bank Plc has proposed to the General Assembly the distribution of JD 15.4 million in cash dividends, which represent 35% of paid-in-capital, and allocation of the balance of distributable income to the shareholders' equity for the Bank at the end of 1994 reached JD 487.0 million compared to JD 432.0 million at the end of 1993. The Group's equity reached US\$ 1,180.5 million. The ratio of the shareholders' equity to total assets rose to 5.9% for the Bank and to 8.1% for the Group compared with 5.7% and 7.4% at the end of 1993. Capital adequacy ratio calculated according to the Basle rules was 12.62% for the Bank and 13.65% for the Group. It is important to note that the required ratio of the Basle committee and the leading central banks is only 8%. The positive difference leaves ample room for the Group to increase its loans and investments in the future, given the changes in Middle East political risks.

The term of office of the previous Board of Directors came to an end as of 31 March 1994. All Board Members were re-elected. I regret to convey to you that Mr. George Tannous passed away on 14 October 1994. On behalf of the Shareholders and the Members of the Board, I would like to extend my sincere condolences to his family.

On 18 January 1995, Mr. Nasser Alrashid was elected by the Board to fill the vacant seat according to paragraph (A) of Article 178 of the 1989 Jordan Company Law.

On the occasion of your Annual Meeting, I would like to express my deep appreciation and thanks to the staff of Arab Bank and to its customers and shareholders, without whose faith, effort and support, the continued success of the Bank would not have been possible. I would also like to extend my best and sincere wishes to each one of you. May God bless you all.

Abdulmajeed Shoman  
Chairman, Board of Directors

## DEPUTY CHAIRMAN'S MESSAGE

### 65 YEARS OF SERVICE

On 14 July 1995, Arab Bank will celebrate its 65th anniversary. The Bank has not only survived. It has succeeded and grown. These simple words are the return on the investment of millions of hours of hard work by the people of Arab Bank.

Arab Bank was a leader in the introduction of banking to many Arab countries. It was ahead of its time in realising the importance of an Arab Bank and its vital role in the development of the economy of the Arab world. The same pioneer spirit led Arab Bank to new frontiers and further achievements as it later branched out into important international financial centres, including London, New York and Singapore.

Few financial institutions have flourished so well under the same difficult circumstances and hardships as those faced by Arab Bank. The Bank has survived throughout a turbulent period of history in the Middle East. Starting with the British Mandate in Palestine and ending with the recent Oslo Agreement, Arab Bank has been affected by almost all foreign campaigns and local national crises in the area. The Bank has endured the tripartite invasion in Egypt in 1956, as well as the recent highly regrettable civil war in Yemen and the suffering in Lebanon, Kuwait and Iraq. Several Arab Bank branches have weathered extreme difficulties, and they have operated under fire on the front lines in Aden, Beirut and Jerusalem. Whenever a branch was forced to close, due to war or nationalisation, a new branch was opened nearby, reflecting Arab Bank's will and desire to succeed.

Arab Bank has continued on the path envisioned for it with persistence and tenacity. The Bank has not operated in a vacuum and the majority of the Bank's management, staff and clients are drawn from the communities which it serves. Thus, Arab Bank's mission to serve these communities and participate effectively in the development of their welfare has resulted in a strong mutually beneficial relationship between the Bank and its clients. Whenever some other banks have chosen the easy option of dropping out when difficulties prevailed, Arab Bank has stood fast and disregarded profit and expense. Arab Bank has honoured its obligations no matter what the price of the difficulty, it has stood beside its people and served them well; in return they have trusted the Bank and helped it to succeed.

Arab Bank is one of the oldest banks operating in the Arab world as well as one of its most advanced and modernised financial institutions. It is effectively managed, soundly capitalised and profitable. Arab Bank offers a wide range of service to an increasingly sophisticated clientele. The ability of the Bank's management to employ state-of-the-art modern technology, as well as to comprehend and adapt to the significant factors which are continuously influencing and reshaping the banking industry, has become the cornerstone of the



Bank's strength.

The dynamism of the Bank's clients has motivated the Bank to outperform. Following the petro-dollar boom, Arab businessmen had direct access to the world's most advanced financial markets. They became more sophisticated and experienced in dealing with modern and complex financial services and products. To meet their new needs and requirements, Arab Bank has pioneered the introduction of new financial services to the Arab world. The innovations of the Bank have not been limited only to the promotion of new products, it has modified some complicated and sophisticated services, in order better to fit the local markets and improve its services to customers. On some occasions the Bank has refrained from offering certain product lines, because such products either did not fit well with its clients' needs or were deemed to be possibly detrimental instead of beneficial to their interests.

A major characteristic of Arab Bank is its concerted presence in the Arab world and its spreading network in the most important world financial centres, as reflected in the geographical distribution of Arab Bank at the end of 1994. Arab Bank entities located in Europe comprise the majority share of total assets (38.4%), loan portfolio (22.5%), deposits (39.5%) and revenue (34.3%). The Arab countries, excluding Jordan, rank second with total assets (27.3%), loan portfolio (37.3%), deposits (29.0%) and revenue (30.2%). Jordan ranks third with total assets (18.2%), loan portfolio (18.7%), deposits (20.9%) and revenue (21.8%). The Far East and Australia gained over North America with loan portfolio (16.3%) and revenue (8.2%), but North America ranks fourth in terms of total assets (8.2%) and deposits (6.8%).

After 65 years of hard work, Arab Bank has now become a strong financial institution with total balance sheet exceeding US\$20 billion; shareholders' equity close to US\$1,200 million; and net income of some US\$150 million. The results of Arab Bank in 1994 reflect the Bank's ability to succeed and the depth of its financial power. We can only conclude from this that the Bank is ready to enter a new era in the world of banking both at the regional and international level.

Khalid Shoman,  
Deputy Chairman





# ARAB BANK

## Balance Sheet as of 31 December 1994 and 1993

	1994	1993
	J.D. ('000)	J.D. ('000)
<b>Assets</b>		
Cash and due from banks	3,864,954	3,695,687
Securities and investments	1,022,153	985,629
Loans and advances	3,131,549	2,668,564
Customers' liability		
on acceptances	112,853	92,004
Premises and equipment	53,526	48,532
Accrued interest receivable	65,942	46,949
Other assets	45,184	33,061
<b>Total Assets</b>	<b>8,296,161</b>	<b>7,570,426</b>
Customers' liability on		
guarantees and letters of credit	2,935,847	2,422,468
<b>Total</b>	<b>11,232,008</b>	<b>9,992,894</b>

### Profit and Loss Statement for the years ending 31 December 1994 and 1993

	1994	1993
	J.D. ('000)	J.D. ('000)
<b>Revenue</b>		
Interest revenue	499,338	415,141
Less: Interest expense	336,713	271,864
Net interest revenue	162,625	143,277
Non-interest revenue		
Commissions	46,129	42,129
Foreign exchange trading	16,233	12,898
Other revenue	30,075	22,589
Total non-interest revenue	92,437	77,616
<b>Total Revenue</b>	<b>255,062</b>	<b>220,893</b>
<b>Expenses</b>		
Salaries and staff benefits	67,266	57,670
Depreciation of premises and equipment	6,481	5,797
Other expenses and provisions	82,158	77,892
<b>Total Expenses</b>	<b>155,905</b>	<b>141,359</b>
Net income before income taxes	99,157	79,534
Income taxes	28,702	20,079
<b>Net Income</b>	<b>70,455</b>	<b>59,455</b>
<b>Appropriations</b>		
To statutory reserve		8,000
To voluntary reserve	19,000	15,000
To general reserve	36,000	21,000
Proposed cash dividends	15,400	15,400
Directors' remunerations	55	55
<b>Total Appropriations</b>	<b>70,455</b>	<b>59,455</b>

	1994	1993
	J.D. ('000)	J.D. ('000)
<b>Liabilities and Shareholders' Equity</b>		
Deposits and other accounts	7,625,752	6,994,073
Acceptances	112,853	92,004
Accrued interest payable	55,101	36,894
proposed dividends and remunerations	15,455	15,455
Capital	44,000	44,000
Statutory reserve	44,000	44,000
Voluntary reserve	94,000	75,000
General reserve	305,000	269,000
<b>Total Liabilities and</b>		
<b>Shareholder's Equity</b>	<b>8,296,161</b>	<b>7,570,426</b>
Guarantees and letters of credit	2,935,847	2,422,468
<b>Total</b>	<b>11,232,008</b>	<b>9,992,894</b>

### Cash Flow Statement for the years ending 31 December 1994 and 1993

	1994	1993
	J.D. ('000)	J.D. ('000)
<b>Cash flow from operations</b>		
Interest and non-interest revenue	594,087	492,757
Interest and commission expense	(339,025)	(271,864)
General and administrative expenses	(149,424)	(135,562)
<b>Cash flow from operations before changes in assets and liabilities</b>	<b>105,638</b>	<b>(85,331)</b>
<b>(Increase) decrease in assets</b>		
Loans and advances	(462,985)	(72,363)
Securities and investments	(36,524)	(116,694)
Other assets	(31,116)	8,024
<b>Increase (decrease) in liabilities</b>		
Deposits and other accounts	649,886	415,921
<b>Net cash flow from operations before tax</b>	<b>224,899</b>	<b>320,219</b>
Income taxes	(28,702)	(20,079)
<b>Net cash flow from operations</b>	<b>196,197</b>	<b>300,140</b>
<b>Cash flow from investments</b>		
(Purchase) sale of fixed assets	(11,475)	(12,070)
<b>Net cash from investments</b>	<b>(11,475)</b>	<b>(12,070)</b>
<b>Cash flow from financing</b>		
Dividends paid	(15,455)	(13,255)
<b>Net cash flow from financing</b>	<b>(15,455)</b>	<b>(13,255)</b>
<b>Net increase (decrease) in cash</b>	<b>169,267</b>	<b>274,815</b>
Cash and due from banks at the beginning of the year	3,695,687	3,420,872
Cash and due from banks at the end of the year	3,864,954	3,695,687

### Conversion rates of foreign currencies against the Jordanian Dinar for consolidation purposes

Currency	End 1994	End 1993	Currency	End 1994	End 1993
Bahraini Dinar	0.538	0.535	Pound Sterling	0.911	0.958
Cyprus Pound	0.679	0.739	Qatari Riyal	5.190	5.170
French Franc	7.613	8.319	Spanish Peseta	187.992	201.944
Greek Drachma	342.623	353.892	U.A.E. Dirham	5.240	5.220
Italian Lire	2,309.470	2,415.460	U.S. Dollar	1.427	1.420
Korean Won	1,125.470	1,147.500	Yemeni Riyal	17.140	17.050
Lebanese Pound	2,350.270	2,429.620			

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# ARAB BANK

## Balance Sheet of Jordan Branches as of 31 December 1994 and 1993

	1994	1993
Assets	J.D. ('000)	J.D. ('000)
Cash and due from Banks	742,128,433	657,767,170
Cash at Central Bank of Jordan	647,985,670	630,664,081
Government Securities	98,727,913	126,557,441
Loans and Advances (Net)	681,775,210	582,112,568
Marketable Securities	21,642,280	16,668,353
Fixed Assets (Net)	17,465,147	16,274,701
Other Assets	14,615,749	11,849,812
<b>Total</b>	<b>2,224,340,402</b>	<b>2,041,894,126</b>

	1994	1993
Liabilities & Shareholders' Equity	J.D. ('000)	J.D. ('000)
Customers' Deposits	1,909,661,087	1,800,483,381
Banks' Deposits	58,776,635	28,963,137
Borrowed Funds	109,609	83,033
Cash Margins	115,073,829	99,625,481
Provisions	15,820,926	9,048,988
Other Liabilities	53,720,338	37,231,517
<b>Total Liabilities</b>	<b>2,153,162,424</b>	<b>1,975,435,537</b>
Paid-up Capital	44,000,000	44,000,000
Statutory Reserve	8,441,527	8,441,527
Voluntary Reserve	18,736,451	14,017,062
<b>Total Shareholders' Equity</b>	<b>71,177,978</b>	<b>66,458,589</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,224,340,402</b>	<b>2,041,894,126</b>

## AUDITORS' REPORT

To the Shareholders of Arab Bank Plc  
Amman-Jordan

We have audited the accompanying balance sheet of Arab Bank Plc (a Jordanian Public Shareholding Limited Company) as of December 31, 1994, and 1993 and the related statements of income and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit. We have obtained the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The Bank maintains proper accounting records which are in agreement with the accompanying financial statements and with the financial information included in the Board of Directors' report.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of Arab Bank Plc as of December 31, 1994 and 1993 and the results of its operations and its cash flows for the years then ended in accordance with International Accounting Standards, and we recommend that the General Assembly approve these financial statements.

Amman-Jordan  
January 22, 1995

Saba & Co.

## Profit and Loss Statement for the years ending 31 December 1994 and 1993

	1994	1993
	J.D. ('000)	J.D. ('000)
Interest Revenue	117,264,720	96,280,112
Commissions	13,927,674	12,847,180
Less:		
Interest Paid	83,017,667	71,716,453
Commissions Paid	291,819	313,020
Interest & Commissions	47,882,908	37,097,819
Plus:		
<b>Income from</b>		
Securities Portfolio	6,777,290	6,277,074
Foreign Exchange Trading	2,256,831	2,755,237
Other Revenue	1,430,204	1,096,560
Less:		
Provisions for Doubtful Loans	6,378,852	2,000,000
Loan Losses	95,652	6,670,241
<b>General and Administrative Expenses</b>	<b>28,275,871</b>	<b>23,653,091</b>
Income Before Tax	23,596,858	14,903,358
<b>Tax</b>	<b>(14,572,100)</b>	<b>(6,250,000)</b>
Income After Tax	9,024,758	8,653,358
<b>Appropriations</b>		
Statutory Reserve	--	1,490,336
Voluntary Reserve	4,719,389	2,980,672
Universities Fees	235,969	149,034
Provision for Scientific Research	235,969	149,034
<b>Management Profit</b>	<b>3,833,431</b>	<b>3,884,282</b>
<b>Total</b>	<b>9,024,758</b>	<b>8,653,358</b>



# ARAB BANK



## BOARD OF DIRECTORS' 65th ANNUAL REPORT

For the year ending 31 December 1994, submitted to the General Assembly of Shareholders at the Annual Meeting held at the Bank's Head Office Building, Shmeisani, Amman, at 10 a.m. on Friday, 31 March 1995.

### Dear Shareholders,

In 1994, Arab Bank Group faced changing conditions and new uncertainties in the Arab world as well as in the international financial markets. Its strong financial position combined with the efforts of its management team enabled the Group to meet these challenges successfully and to achieve good results. The following section of the report contains a review of the business environment and an analysis of the financial and operational performance of the Group.

### Business environment

Multinational financial institutions operated in more agreeable conditions during 1994 as the economy of the industrial world continued the progress begun in late 1993. The United States achieved a good growth rate in its Gross Domestic Product as a result of a strong increase in its domestic consumption and in its capital spending, and the significant increase in imports to the United States enhanced the economic growth of other countries. The monetary policies adopted in the EC countries in the early 1990s produced encouraging developments during 1994, with the average annual economic growth in the EC countries reaching 3% compared to the negative growth recorded during 1993.

Movements in the economic cycle however were not completely synchronised among the industrialised nations in North America, Western Europe, and the Pacific rim. The economic turn-round in the United States and in most of the Western European countries was not accompanied by similar activity in Japan. The United States, the United Kingdom and Canada achieved a GDP growth rate of around 4%. From the second quarter of 1994 onward, Germany and France showed stronger than expected results. On the other hand, Japan's economic indicator positioned the country's activities at the lowest point on the economic cycle.

Desynchronisation within the world economy is not the only problem which influenced the market-place. Delocalisation and mega-competition have created structural changes and challenges to the western industrialised nations. Now that national and regional barriers, restricting financial flows no longer exist, and neither technology nor management techniques observe any boundaries, the key privileges of economic success are increasingly transferable from one country to another. Accordingly, severe tension is created by the additional number of different countries entering the multilateral trade system. Western Europe, and to a lesser extent the United States, are facing what may be called a "jobless recovery" because neither present nor projected growth rates are enough for creating jobs on a large scale. Unemployment will remain a critical issue in the industrialised world for some time to come. Unfortunately, instantaneous political or economic solutions are not available to solve this problem. For western industrialised countries, the competition

from East Asia means, above all, that the vaunted western social model is now under assault, and the very essence of social welfare is being called into question.

Starting in the second quarter of 1994, interest rates on the U.S. dollar and the British pound both hedged up following restrictive measures adopted in both countries to fight inflation in its infancy. The interest rate on the Deutsche mark, however, continued its downward trend as a result of the efforts of the German authorities to stimulate the economy. Interest rates on the Japanese yen did not differ much from their low level prevailing since the end of 1993.

In the foreign exchange market, the U.S. dollar was subjected to heavy attack during most of the year. Due to the rise of inflation indicators and the reluctance of the Federal Reserve authorities to face this problem, the U.S. dollar was sold extensively. Most currencies, in particular the Japanese yen, appreciated significantly. Both the United States trading balance and its continuing budget deficit also weighed heavily on the U.S. dollar.

The economy of the Arab world was subjected to much anxiety and many uncertainties during the year. Political uncertainty in relation to the Gulf situation, as well as the impact of the continuous efforts to settle the Arab-Israeli conflict, prevented any constructive movement towards long-term investments or short-term trade activities. Oil prices stabilised at their relatively low levels, and continue to remain sensitive to the possibility of Iraq re-entering the market. It is anticipated that world demand for crude oil will continue to grow along with growth of the global economy. The increased demand is expected to absorb the increased supply without further depressing the price.

### FINANCIAL REVIEW

#### Foreword

The functional and reporting currency of the Group is the U.S. dollar. Arab Bank Plc. and Arab Bank (Switzerland) Ltd. comprise close to 90% of the total assets of the Group. The reporting currencies of these two entities are the Jordanian dinar and the Swiss franc respectively. At the end of 1994, one U.S. dollar equalled JD 0.701 and Sfr. 1.3130 compared to JD 0.704 and Sfr. 1.4640 at the end of 1993.

#### Result of operations

Net interest, commission and other revenue showed satisfactory improvements. Income from foreign exchange increased by 27.7%. Expenses and provisions were in line with the budget and expectations. Net income after tax grew at the rate of 31.7% and reached US\$ 141.2 million compared to US\$ 107.2 million in 1993. This strong performance is attributable to the growing earning power of the Group. It also reflects the favourable tax conditions extended to the Group in Saudi Arabia.

#### Total revenue

Total revenue reached US\$ 475.4 million compared with US\$ 414.1 million at the end of 1993. All revenue elements contributed positively to the revenue growth. A

comparative analysis of the changes in the revenue components is depicted below:

Revenue	In US\$ millions			
	1994	1993	Variance	%
Net interest	275.8	240.4	35.4	14.7
Commission	84.6	79.1	5.5	6.9
Foreign exchange trading	31.2	24.5	6.7	27.7
other revenue	83.8	70.1	13.7	19.5
<b>Total</b>	<b>475.4</b>	<b>414.1</b>	<b>61.3</b>	<b>14.8</b>

#### Net interest

Both interest revenue and interest expense increased in 1994. The comparative figures composing the net interest are presented below:

Interest	In US\$ millions			
	1994	1993	Variance	%
Interest revenue	826.6	690.9	135.7	19.6
Interest expense	550.8	450.5	100.3	22.3
<b>Net interest</b>	<b>275.8</b>	<b>240.4</b>	<b>35.4</b>	<b>14.7</b>

The US\$ 35.4 million and 14.7% growth in net interest reflect the continuing strength in the earning power of the Group.

#### Commission

Commission income grew by 6.9% in 1994 to reach US\$ 84.6 million compared to US\$ 79.1 million in 1993. The growth signifies an improvement in the Group's ability to generate income from financial services. It also reflects the Group's efforts to offer the customers new products which meet their needs and wants.

#### Foreign exchange trading

Revenue from foreign exchange trading improved to US\$ 31.2 million compared to US\$ 24.5 million in 1993. Almost all entities of the Group were able to perform successfully in the foreign exchange market during 1994. Furthermore, the customers' activities contributed positively to the good results in this area. However, it is important to note that foreign exchange trading positions are liquidated on a daily basis in the Group's operating units.

#### Other revenue

Other revenue increased by US\$ 13.7 million (19.5%) to reach US\$ 83.8 million compared to US\$ 70.1 million for 1993. This increase reflects several items which may not recur in the future.

#### Operating expenses

In 1994, operating expenses reached US\$ 275.8 million in comparison to US\$ 248.8 million in 1993. The following table contains an analysis of the main elements of expenses:

Expenses	In US\$ millions			
	1994	1993	Variance	%
Staff expenses	118.5	101.9	16.6	16.3
Depreciation	11.3	9.9	1.4	13.3
Other expenses and provisions	146.0	137.0	9.0	6.6
<b>Total</b>	<b>275.8</b>	<b>248.8</b>	<b>27.0</b>	<b>10.8</b>

The weight structure of the operating expenses is depicted below:

Expenses	1994 1993	
	%	%
Staff expenses	43.0	41.0
Depreciation	4.1	4.0
Other expenses and provisions	52.9	55.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Staff expenses increased to US\$ 118.5 million from US\$ 101.9 million in the previous year. Foreign exchange fluctuations augmented slightly the increase in staff expenses, which was in line with normal annual increase, expansion and cost-of-living adjustments.

Depreciation for the year rose to US\$ 11.3 million, representing an increase of 13.3% compared to US\$9.9 million in the previous year. The increase in depreciation corresponds to the increase in the Group operating units and continuous upgrading of its equipment, especially the computer and software systems.

In 1994, provisions and other expenses increased by US\$ 9.0 million over the figure of US\$ 137.0 million in the previous year. A significant part of this component represents an additional enhancement of the provisions. The Group continues to maintain strong provisions to meet any business related or contingent risk.

### Financial position

The Arab Bank Group balance sheet total surpassed US\$20 billion for the first time. This increase in the balance sheet total, coupled with the significant increase in income, may place Arab Bank Group within a more powerful cluster of leading international financial institutions.

The following presents an analytical review of the main components of the Group's financial position:

#### Assets

Total assets grew to US\$ 14,486.1 million from US\$ 14,413.8 million, representing a 0.5% increase. Off-balance sheet items, composed of customers' contingent liabilities grew by US\$ 2,264.6 million and 60.9%. A significant part of this increase was the result of reclassification. The increase in both on-balance sheet and off-balance sheet assets augmented the total footing of the Group to US\$ 20,470.7 million.

#### Liquidity

The maintenance of high liquidity ratios is a major element of the Group's prudent policies. The pre-planned objectives of 1994 to increase the productive assets were achieved. These achievements did not lower significantly the high liquidity ratios of the Group. The stability of customers' deposits combined with the efforts of the Group to enhance its productive assets, altered slightly the structure of the balance sheet. Consequently, cash in hand and at banks declined by US\$ 943.7 million to reach US\$ 6,921.9 million. Added to marketable securities, cash in hand and at banks reached 59.3% of the total assets. This liquidity ratio remains stronger than most norms prevailing in the banking industry.

#### Loan portfolio

The Group's loan portfolio net of the doubtful debt



## BOARD OF DIRECTORS' 65th ANNUAL REPORT

allowance grew to US\$ 5,108.5 million, representing an increase of 18.4% over the level of US\$ 4,313.9 million in 1993. The Group was able to improve its holdings in loans and advances significantly, reflecting a continued expansion in the marketing of traditional and new products.

### Securities and investments

The security portfolio, which consists mainly of prime government bonds and promissory notes, rose by US\$ 129.4 million, or 8.4% in 1994. The balance of securities and investments at the end of the year was US\$ 1,661.2 million compared to US\$ 1,531.8 million at the end of 1993.

### Shareholder's equity

Arab Bank Group's shareholders' equity reached US\$ 1,180.5 million, representing an improvement of US\$ 119.5 million and 11.3% over the 1993 figures. It amounted to 8.1% of total assets compared to 7.4% in 1993.

The capital adequacy ratio for the Group, measured according to the Basle Committee rules was 13.65%. Moreover, shareholders' equity at the end of 1994 was 23.1% of the loan portfolio, a slight decline from the 24.6% ratio recorded at the end of 1993.

### Deposits

The total balance of deposits and other accounts remained around its previous year's level, recording US\$ 13,037.5 million. Customer deposits were negatively impacted by the continuous shift in customers' investment strategies away from the money market into high yielding financial instruments and securities.

Funds placed with the Group from other financial institutions were limited to needs dictated by the correspondent banking activities.

### PERFORMANCE OF THE GROUP'S ENTITIES

The following paragraphs contain a brief description of the major activities of the financial institutions which compose Arab Bank Group. The entities of the Group include Arab Bank Plc, Arab Bank (Switzerland) Ltd., a sister company wholly owned by the shareholders of Arab Bank Plc, and the following wholly and majority owned subsidiaries:

- \* Arab Bank AG, Frankfurt., wholly owned subsidiary.
- \* Arab Bank Australia Ltd., wholly owned subsidiary.
- \* Arab Bank (Austria) AG, wholly owned subsidiary.
- \* Arab Tunisian Bank, 64.24% owned.

### ARAB BANK PLC

Arab Bank Plc was established in Palestine in 1930. It was registered in Jordan in 1949 as a public shareholding company. Currently, it has approximately 3,000 shareholders. In 1994 the Bank achieved very good results. Net income, deposits, loan portfolio and total assets grew at a remarkable rate. The year also witnessed the return of the Bank to Palestine after an absence of 27 years.

### Financial position

A good rate of growth was achieved in all components of the financial statements, however, the structure of the Bank's accounts was marginally changed to give more weight to loans and advances. The comparative composition of the Bank's assets is indicated below:

In JD millions			
Assets	1994	1993	Variance
Cash and marketable securities	4,887.1	4,681.3	205.8
Loans and advances	3,131.6	2,668.6	463.0
All other assets	277.5	220.5	57.0
<b>Total assets</b>	<b>8,296.2</b>	<b>7,570.4</b>	<b>725.8</b>

It can be observed that the liquidity ratio of the Bank slightly declined to 58.9% compared to 61.8% at the end of 1993. This change was the normal result of the efforts of the Bank to enhance quality productive assets.

Total deposits reached JD 7,625.8 million compared to JD 6,994.1 million in the previous year. A significant part of the JD 631.7 million, or 9.0% increase was achieved by the growth in customer deposits and reflects the solid confidence of the customers in the Bank.

Shareholders' equity was augmented to JD 487.0 million accounting for 5.9% of the total assets compared to JD 432.0 million and 5.7% in 1993. Arab Bank Plc accumulates shareholders' equity by retaining income instead of issuing new share capital.

### Results of operations

Arab Bank Plc again rendered another successful performance. For the year which ended on 31 December 1994, net income after tax reached JD 70.5 million compared to JD 59.5 million in 1993. The significant increase of JD 11.0 million and 18.5% was the result of the growth in all revenue components. Total revenue increased by JD 34.2 million and 15.5% to reach JD-255.1 million. The substantial growth in revenue reflects a real improvement in the earning power of the Bank.

### Other achievements

The return of the Bank to the West Bank and Gaza Strip highlighted its major expansion during 1994. Three branches of Arab Bank Plc reopened their doors in Palestine in Nablus, Ramallah and Gaza, and a new branch in Jericho started operating early in 1995. An additional three branches were opened in Jordan. The 10th of Ramadan branch was opened in Egypt early in 1995. The Bank's expansion in Europe continued in 1994: it opened a branch in Marbella, Spain, and a cash office in Paphos, Cyprus.

### ARAB BANK (SWITZERLAND) LTD.

Arab Bank (Switzerland) Ltd. was constituted as an independent Swiss company in 1962. Its head office is located in Zurich with a branch in Geneva. The Bank's shareholders are identical to those of Arab Bank Plc. The Bank offers comprehensive services in all major banking areas and combines Swiss tradition in private banking with a global perspective. Switzerland's stability and confidentiality as well as the efficient and personal service provided by Arab Bank (Switzerland) Ltd. are the key factors of its continuous success.

### Performance in 1994

Total assets (on 31 December 1994) declined to Sfr. 1,463 million from Sfr. 1,648 million (on 31 December 1993) as a result of the smaller volume of the inter-bank business and the lower value of the U.S. dollar exchange rate against the Swiss franc. The weak U.S. dollar had also a negative impact on the volume of the fiduciary deposits which reached Sfr. 3,639 million at the end of 1994.

Net income for the year increased to Sfr. 17.1 million from Sfr. 16.5 million in 1993. Net interest earned (including income from securities) improved slightly in 1994. The Bank's strategy of investing its own funds into securities with long maturity during the high interest rate periods of the past years contributed to this positive result income from trade in foreign exchange and precious metals approached the high level of the preceding year.

The main activities of the Bank have been consistent with its conservative and restrictive policies.

### ARAB BANK AUSTRALIA LTD.

Arab Bank Australia Ltd. is a wholly owned subsidiary of Arab Bank Group. Arab Bank's presence in Australia dates back to 1986 when it commenced a merchant banking operation under the name of Arab Australia Ltd.

Arab Bank recently became the first foreign bank in Australia since 1986 to obtain an unrestricted banking licence. This followed changes in regulations allowing foreign banks to apply for a full bank status.

The transformation of the Bank required additional capital in 1994. Accordingly, the equity of Arab Bank Australia reached AUD 51.7 million compared to AUD 21.5 million at the end of 1993. During the year, the Bank experienced significant growth. Total assets increased by 50% to AUD 193.0 million. Deposits and other accounts increased to AUD 135.8 million.

Through a network of four branches, Arab Bank

Australia offers a wide range of banking services. The Bank's strategy includes special emphasis on the Arabic speaking community in Australia.

The retail banking activities of the Bank will be vastly enhanced when it participates shortly in a nationwide electronic network which includes 2000 ATM machines and 38,000 electronic point-of-sale terminals. Arab Bank Australia will also shortly become a member of the Australian clearing system.

### ARAB BANK (AUSTRIA) AG

Arab Bank (Austria) AG was established in February 1987 in Vienna. It started its operations in May the same year. Arab Bank (Austria) AG is an independent Austrian Bank with an unrestricted licence to perform all banking activities. It provides a wide range of services to individuals, corporate and institutional clients, government agencies and other international financial institutions.

1994 was a good year for the Bank. Net profit available for distribution grew to ATS 2.1 million, representing a substantial growth over the 1993 figures. Total assets declined to ATS 1,981.2 million from ATS 2,372.6 million in the previous year. The marginal decline in total assets was the result of normal inter-bank transactions.

Arab Bank (Austria) AG continues to be the gateway of Arab Bank Group to the Eastern European countries. It provides the Group's entities and their customers with investment and trade advice on the changing economic environments in those countries.

### ARAB BANK AG

Arab Bank AG in Frankfurt, a wholly owned subsidiary of Arab Bank Group, was incorporated in December 1992. The Bank started operations in April 1993 with a full commercial banking licence and the ability to provide branch banking within the European Union. Accordingly, it is expected that Arab Bank AG will play a significant role in promoting Arab European trade and economic

cooperation. The Bank provides its customers with a full range of banking services, including investments and treasury products.

1994 was the first full year of the Bank's operations. It has achieved very good results and growth in almost all aspects of operations, especially in assets, loan portfolio and trade business. Total assets grew to DEM 420.9 million from DEM 150.0 million, representing an increase of DEM 270.9 million. Total balance sheet including contra accounts reached DEM 554.8 million, representing an increase of DEM 367.7 million. During the last quarter of 1994, Arab Bank AG total revenue exceeded total expenses. For the full year, the Bank net loss was DEM 1.2 million, an improvement compared to the DEM 1.7 million loss for the nine months of operations in 1993.

### ARAB TUNISIAN BANK

Arab Tunisian Bank was incorporated in 1982. It provides its customers with a wide range of commercial and private banking activities. Arab Tunisian Bank has a material market share of the banking business in Tunisia. The Bank has 26 branches located in all major cities and business centres in addition to its head office, which is situated in Tunis.

In 1994, total assets increased by 13.2% from TND 666.0 million in the previous year to reach TND 754.0 million. Income after tax grew by TND 0.6 million from TND 5.1 million to TND 5.7 million. The Bank continued its efforts to enhance its productive assets. Loan portfolio at the end of 1994 reached TND 342.0 million compared to TND 293.9 million at the end of 1993. The TND 48.1 million growth represented 16.4%.

The Board of Directors would like to close this Report by expressing its thanks and gratitude to the Group's customers for their continued trust and support; to the shareholders for their confidence; and to the staff for their loyalty and dedication.

### THE BOARD OF DIRECTORS

## ARAB BANK PLC GENERAL ASSEMBLY AGENDA

The following are the items on the agenda of the General Assembly to be held on March 31st, 1995:

1. Presentation and adoption of the Minutes of the previous 64th meeting of the General Assembly.
2. Presentation of the report of the Board of Directors for the year 1994 and outlook for 1995.
3. Presentation of the Auditors' Report on the financial statements of the Bank for the financial year 1994.
4. Presentation and approval of the financial statements of the Bank for the year 1994 and adoption of the recommendation of the Board of Directors to distribute a dividend for the year 1994 at the rate of J.D. 3.5 per share, being 35% of the nominal value of J.D. 10 per share.
5. Approval of the membership of Mr. Naser Alrashid on the Board of Directors, as of 18 January 1995, according to the context of Article 178 (a) of the Jordan Company Law No. 1 of 1989.
6. Release of the members of the Board of Directors from liability for the year 1994.
7. Election of the Bank's Auditors for the year 1995 and determination of their remuneration.
8. Other issues.





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# Ghandour: Recent attitude of the EU towards Third World is a source of dismay

## 'Future of civil air transport in developing countries is threatened'

Following is the text of a speech given by Ali Ghandour, His Majesty King Hussein's advisor on Civil Aviation and Tourism, at "European Air Transport Within the Single Market International Conference" which was organised by Aeronautica Communications Limited in association with Commission of the European Communities in Brussels on March 28, 29.

Mr. chairman, ladies and gentlemen,

I VERY much appreciate Aeronautica's invitation to me to speak at this important conference, the more so because, notwithstanding the fact that the conference weighs heavily in favour of a European agenda as its title rightly and understandably implies, I am being provided with the opportunity to air Third World countries' fears and concerns as well as to express their hopes and aspirations. I approach the subject with mixed feelings. We are filled with respect and admiration for the development and progress that the European Union (EU) has painstakingly achieved. We marvel how the European Union through block-building, bottom-up rather than top-down, has attained a position of pre-eminence in world affairs. I believe at the heart of the European Union's success lies the Treaty of Rome, ever relevant and shining.

Yet the recent attitude of the European Union towards the Third World has caused dismay. The European Union's abrupt cancellation last month of a meeting with the 70 ACP nations of Africa, the Caribbean and the Pacific after negotiations to determine an aid package collapsed is a case in point. It has been reported that the move underscored Europe's lessening interest in its poor former colonies while faced with more immediate security needs and economic opportunities in Europe and the Mediterranean region. On the other hand, Britain's lukewarm support for the World Summit for Social Development in Copenhagen earlier last month highlights an unsavoury situation. We are told that poverty at home competes for available resources as if the causes of poverty in Western societies and in Third World countries trace their origins to an identical source. Across the Atlantic dismal signals have come through. The newly Republican dominated U.S. Congress is intent on slashing aid to poorer countries in pursuit of balancing the federal budget. Alas, the signs are on the wall, and developing nations have to fend for themselves. But with diminished aid from donor countries the road to sustainable development and growth will be slow, painful and perhaps questionable. These are ominous signs and ominous times and the future of civil air transport in developing countries is threatened.

While the situation is fairly desperate, it is not beyond redemption. Let there be a clarion call: Trade, not aid. If countries, the haves and have-nots alike, live up to their responsibilities and create amongst themselves the conditions necessary for the freer exchange of goods and services we can look forward to attaining a greater measure of harmony and stability in international affairs.

It is therefore not without

significance, and for that matter a positive sign, that the widespread adoption of a philosophy of "economic disengagement" by governments in many parts of the world constitutes a factor leading to the liberalisation of aviation policies. It is rightly claimed that this policy of reduced governmental involvement in the commercial affairs of businesses became widely accepted in the 80's and continues to have a powerful influence on policies in the 90's.

In Britain "Thatcherism without Thatcher" is deeply rooted in economic life not only for ideological reasons but for pragmatic considerations as well, and the move a few weeks ago by Her Majesty's opposition, the Labour Party, to off-load the baggage of socialising the means of production and distribution as party policy vindicates the approach to free enterprise, based essentially on such important factors as motivation, risk and reward.

Needless to say, privatisation is a logical extension of liberalisation. Hence, another aspect of "economic disengagement" is the worldwide movement away from state ownership of airlines. For reasons that I need not detail, privatisation has become the wave of the present and future. At this juncture, I wish to remind ourselves that while U.S. deregulation in 1978 is credited rightly with having provided a catalytic effect towards changing the world aviation scene, the Treaty of Rome 21 years earlier embodied principles that could have had far-reaching effects. But members of the European Community have chosen to overlook or ignore its provisions. The treaty provides for "a right of establishment" which entitles an enterprise of any member state to operate with equal rights in any other member state. The "Third Package" of liberalisation measures that came into effect on Jan. 1, 1993 and set the Community on the way towards the total deregulation of air services, though belated, is in keeping with the competitive spirit of the Treaty of Rome without which the European Union, economically speaking, becomes a spineless organisation.

At present the world is subject to a deregulatory environment in international civil air transportation to varying extent and with varying measures of application and success. A deregulatory regime is not any more a tall order beyond reach but a living reality with inertia steps in and retardative forces make their presence felt. Hence, the creation of task forces to address the issues at hand. Of immediate significance are Herman de Croo report, "Expanding Horizons," the "U.S. Commission to Ensure a Strong, Competitive Airline Industry" and "ICAO's Worldwide Air Transport Conference on International Air Transport Regulation: Past and Future," held in Montreal last year. They all point in the same direction:

the liberalisation of air transport. De Croo report, as might have been expected, weighs heavily in treating intra-European issues. It states, among other things, that a common external aviation policy is required. In this particular realm which is of direct interest to the rest of the world community, it is not altogether certain that a common external policy will emerge ahead of the European Union becoming a supranational body, if it ever does. Tensions in this regard exist within the union. The European Commission and the European Parliament pull in one direction and some major members pull in another, the latter not wanting to relegate to the Commission the function of en bloc negotiations with third parties. The European Court of Justice has yet to deliberate.

The U.S., on the other hand, seems to be quite comfortable with the present arrangements and to gain too. For one thing, the U.S. negotiates with nine European countries en bloc, "open skies" being the ultimate American objective. For another, the attempt to renegotiate Bermuda II agreement with Britain could set the tone for future negotiations with the European Union en bloc. The rest of the world anxiously awaits the outcome. Third World countries are somewhat apprehensive. To many, the standard bilateral, though protectionist and therefore restrictive, palpably provides a false sense of security.

ICAO's International Civil Air Transport Conference, which was held in Montreal during November-December last year, marked the 50th anniversary of the Chicago Convention and in its own right became a landmark in the annals of international aviation. It fell short of a Chicago II. In any case, no such role was either foreseen or intended. It did, however, point the way to coming to terms realistically with the present world and to chart avenues for future voluntary action.

As members of the ICAO Study Group of Experts on Future Regulatory Arrangements for International Air Transport (GEFRA), we laboured for almost two years ahead of the final conference. The issues that were discussed were standard issues that crop up in the domain of aviation. But neither the treatment nor the solutions proposed for consideration were standard. The message was loud and clear that liberalisation was long overdue. Third World countries were apprehensive, even suspicious, as invariably they are of Western initiatives. Fear and distrust are dangerous and difficult to dispel. Confidence-building is a long-drawn process. And as Senator de Croo has in a different context pointed out in his report, "mentality changes are lagging behind technological, economic and regulatory changes." I tried, together with my colleagues, very hard to explain away these ill-founded fears through the provision of safety nets and safeguards, but without perceptible success. It is only a matter of time when it will become visible that economic imperatives will overshadow political considerations and perforce impact future course of action.

Back in 1983, when I was chairman and chief executive of Royal Jordanian, the Massachusetts Institute of Technology (MIT) organised — and Royal Jordanian sponsored — a conference in Amman entitled, "Regionalism in International Air Transportation: Cooperation and Competition." The issues that we discussed 12 years ago are topical issues today, and, paradoxically, the West picks up where we left off to no avail. In today's world, the go-it-alone mentality will not prevail and collaboration amongst states in pursuit of national and realistic objectives could be assured of success. I am confident that Frederick Sorensen, who, among other distinguished speakers who addressed the Amman conference, will bear me out.

While the international community is preoccupied with the affairs of mega-carriers, and the trends towards consolidation — and concentration of power, the world abounds with medium-size carriers answering to diversified set of circumstances. In my view, a medium-size airline is one that generates annual revenues in the region of \$150 million with personnel strength of around five thousand people. Since Royal Jordanian is fairly typical of such an operation, I shall draw on my experience and, in the process, seek your indulgence.

In 1963, at His Majesty King Hussein's behest, I founded Royal Jordanian. His Majesty set the goal, "I want our airline." His Majesty said, to be as "our ambassador of good will around the world, and the bridge across which we exchange culture, civilisation, trade, technology, friendship and better understanding with the world."

Royal Jordanian was created as a joint venture between the private and public sectors. The primary objective was to promote the country, and our strategy in terms of route network was to reach the objective. We tried not to become a burden on the state. Come the June War of 1967 and things changed completely. The planes were destroyed, so was the airport. The government stepped in to save the airline from total collapse. Things changed too. Allegiance changed over to the state. The state set the objectives and the airline management set out to reach the objectives. Most of the years up to 1989 were profitable years and the airline continued to grow notwithstanding the war of 1967, the civil disturbances in 1970 and October 1973 war. The reason for continued growth was to keep the country on the map. The airline was a public service airline. No direct subsidy was paid, but indirect assistance came in the form of waiving landing fees, granting free rent at the airport and exemption from payment of taxes and customs dues. All this helped to keep the airline afloat.

We negotiated bilateral agreements with several countries. All of them were restrictive, although the airline was no threat to anybody and Jordan enjoyed a favourable balance of trade with its counterparts.

The Europeans were most restrictive in regard to capacity, frequency, pricing

and scheduling. If I were to compare erstwhile Europeans with latter-day liberal Europeans as exemplified in de Croo report, I would probably laugh. For example, Royal Jordanian had to put up with capacity on a Boeing 707 aircraft with that of a Caravelle — so much wastage to fly with 50 empty seats institutionally imposed. Intermediate points were imposed on flight schedules not to permit passengers to transit. What state aid was received was to counter these ill-effects. These restrictions impeded the growth of the airline and negatively impacted the development and growth of tourism. So this is precisely what the bilateral did to us. Now the airline flies internationally, the growth of the international market being sustained by sixth freedom traffic which keeps Royal Jordanian, along with other carriers similarly placed, afloat and flying internationally.

RJ's international passenger markets have been almost static in the last decade (traffic on its North American, European and Far Eastern routes only). In the 10 years between 1984-94 this traffic increased from 573,375 to only 609,084 or an average growth of 0.6 per cent per annum. It is important to note that in this decade three significant events took place which affected the performance. In 1989 there was major reduction in the North American operation whereby flights to three of the four U.S. destinations were suspended due to low load factors and losses mainly caused by loss of Holy Land traffic due to the Intifada, the Palestinian uprising. In 1990-91 the Gulf war caused further havoc and traffic declined substantially but did bounce back in 1992 and continued its growth in 1993 but again there was a large drop in 1994 due to competition returning to Jordan after having abandoned their operations due to the Gulf War. Because of the war, Royal Jordanian operated to its true potential by flying the Far Eastern routes with sixth freedom traffic.

Tourism from EU states has assumed increased importance after the partial loss of Holy Land traffic. This traffic not only showed resilience but also a higher increase than expected. For example, in 1992 total traffic not only returned to the pre-Gulf War level (1989) but also recorded another 10 per cent increase. In 1993, the increase was very modest but 1994 showed a drop of 11 per cent due to the aforesaid competition; however the tourist portion of the European routes showed an increase of 17 per cent in 1994. Major European countries, producing tourism for Jordan are U.K., France, Italy and Germany, particularly vacation travel to Aqaba. Recently Austria, the Netherlands, and Spain are sending more tourists to Jordan.

RJ has not experienced any noticeable effect on competition as a result of the single EU market. Most European countries are still protectionist, particularly the U.K., France, Germany and Italy. Recently, there was flexibility from Belgium, where a third weekly service was obtained, but which actually is not needed due to low level of traffic to Jordan from this market. Also

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Ali Ghandour

there was some flexibility from Spain, which allowed operations to Barcelona as well.

The significant development which has taken place is more competition for RJ since RJ was operating either unilaterally or more services to Europe than the respective European carrier's operation to Jordan. Now one by one the European carriers want to have their due share of the pie and are resuming operations in full form, e.g. KLM's daily service to Amman, British Airways' 4 weekly frequencies from April 1995 and others like Air France, Alitalia, Olympic and hopefully Lufthansa as well.

The solution lies in expanding the tourist market to Jordan for which much cannot be done without substantial development of the tourism infrastructure in Jordan. So far the existing market is being shared by the newly resumed competition, which, in turn, has affected RJ's traffic very adversely.

The slot allocation at EU airports still constitutes a major difficulty for RJ. Most notorious are Heathrow and Frankfurt airports, which offer no flexibility at all. To implement RJ's new route structuring proposal this would be a major impediment which needs to be handled at a very high level, including political, or RJ would have to resort to buy the slots from others or as a last resort adopt retaliatory methods. If it can.

Development of tourism from the EU states to Jordan is most important as Europe, comparative to other regions, is nearer to Jordan and its economic prosperity has enough capacity to buy new tourism as well as repeat tourism. On the other hand, Jordan has a unique tourism to offer, which now can be conveniently coupled with the Holy Land pilgrimage and tourism to neighbouring countries like Egypt and to some extent Syria, or even combined with the Gulf states' offer of seaside holidays.

However, for this effort to be successful, first, as stated earlier on, the tourism infrastructure has to be strengthened in Jordan as early as possible in order to take advantage of the opportunities that the peace dividend promises, and, secondly, through coordinated policy with, and concerted action by, the neighbouring countries to evolve a comprehensive policy that enjoys all the elements and

essentials of complementarity.

What, then, of the future, one may ask. To look into the future which is a hazardous and toilsome task, the past must be placed in proper perspective. Royal Jordanian initiated flights to North America and the Far East, but would have preferred to do so with others.

Shortsightedness, unfortunately, gained the upper hand, and cooperation came to nothing. Saudi Arabian Airlines, Kuwait Airways, Gulf Air and Middle East Airlines (MEA) were invited to join hands with Royal Jordanian on the U.S. route, but a study was made and the airlines' committee concluded that the operation was not feasible. So Royal Jordanian had to go it alone, and soon afterwards the other airlines went their own way. Senator de Croo speaks of "expanding horizons;" we, in the Mideast region suffered from limited horizons. Now all lose money on the route, whereas money could have been made. Overcapacity was subsidised by the respective governments. On the other hand, operational costs by Royal Jordanian and others were high. So, we sought to cut the cost a la Atlas and KSSU, but unfortunately nothing happened. Each airline created its own maintenance facility and, in the process, suffered higher costs. All this happened under the banner of nationalism and self-interest — no alliances whatsoever were forged when they were most needed.

It is worth mentioning that Royal Jordanian's most profitable routes were the point-to-point ones to the Gulf countries and to Europe. The long-haul routes were marginal, if not losing money. To enhance its European routes, Royal Jordanian bought the Airbus. I must admit that this approach improved our relations with France and allowed us to fly to Paris direct without having to stop at intermediate points, and establish a growth to increase the frequency. As you can see, we penetrated the protectionist wall via a trade-off. However, after the Gulf War, when the airline suffered and could not meet its installments the European Export-Import Bank put pressure and Royal Jordanian had to surrender two Airbus of its fleet. There is a lesson to be learned: In today's aviation

environment, which I undergone a sea-change rather than experience dualism, the future of medium-size independent carrier is not assured. Events seem to unravel in quickening pace — acquisitions, mergers, alliances, whether tactical or strategic, mark the true course of change. This respect, Asia stands out: Non-core alliance or mend themselves. As / line Business stated, "clear sign of this attitude change is in the growing willingness of Asian carriers to form special ventures. Cooperation non-core activities can produce the scale economies: an alliance without incurring the risks of equity changes." In my view, Asian example could trend-setting. Codestling, so-called glorified terfening, is rapidly becoming an important feature of airline operation. Developments in Latin America and the Middle East lag behind.

It is encouraging to note that there are serious efforts under way in developing countries study the best balance between the interests of flag carrier and the optimum development of tourism. Tourism has come of age. For example, in international field, the importance attached to development of tourism led the South African government to declare that future negotiations of lateral agreements will provide for multi-designator of airlines, the elimination of capacity restrictions (abolition of tariff control). (Investment in tourism, I claimed, produces a high and faster increase in employment than equal investments in other activities.)

The national airline is more an end in itself. Sybilism, etc., are worn clichés that are not valid today. And therefore airline operation is viewed as part of one whole, simply an activity to maintain at all costs. The countries that wish to cling to protectionist stance, do so, but they have to up with the consequences: the action so taken. Cor and reciprocity are de enshrined in the Chicago Convention. A protectionist country like Brazil probably afford to do Others can't. In developing countries, if the national airline for any reason b dends the economy it co adversely affect Wo bank assistance and II loans to the host count The economies of air operation will not escape scrutiny in an econo readjustment plan.

On a final note I f optimistic about the futu The rest of the world aspire to "expanding h zons," as Senator de C envisions for the Europ Union. The various e ments that we have disc sed such as liberalisat privatisation, and tr sitional mergers are necessary and relevant i redients to a forward t The creation of truly mu national airlines operat on a worldwide basis not far-fetched. Inter national civil air transport always been the model international cooperati and it will remain so. I spite diversity, the nati of the world should creasingly become partn in progress. After all, future is our comm cause.

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## King meets Jordanians

(Continued from page 1)

King Hussein stressed Jordan's unique relations with the U.S., and voiced hope that the U.S. will understand Jordan's defence needs, which will enable the Kingdom to defend its achievements and to play its historic role in safeguarding security and stability in the Middle East.

The meeting was attended on the Jordanian side by Prince Ali, Sharif Zeid, Mr. Qasem, King Hussein's Military Secretary Prince Talal Ben Mohammad, Ambassador Tarawneh, Maj. Gen.

Fayez and senior Jordanian officials.

On the American side the meeting was attended by senior Pentagon officials.

Also Thursday King Hussein and Queen Noor met with the chairman and members of the International Relations Committee of the House of Representatives and exchanged views with them on regional and international issues, including the Middle East peace process.

The King explained the enormous burdens Jordan has borne over the ages to maintain regional security and stability. The King stressed

sed that Jordan, through signing the peace treaty with Israel, has been able to restore its water and territorial rights. He noted that the Middle East is at the threshold of a new era requiring the consolidation of peace, ensuring comprehensive peace leading to an improvement in the people's life and enhancing opportunities of establishing a just, comprehensive and durable peace in the region.

The chairman of the committee, Benjamin Gilman, voiced appreciation and admiration of Jordan's policy and pioneering role in en-

hancing democracy, political pluralism and ensuring respect for human rights.

He lauded the King's efforts to establish peace in the region and improve living conditions of people in the region.

Mr. Gilman reiterated the U.S. Congress' commitment to write off Jordan's debt to the U.S.

The meeting was attended by Sharif Zeid, Mr. Qasem, Prince Talal and his wife, the ministers of foreign affairs, finance, industry and trade and planning and Jordan's ambassador to Washington and Israel.

## Katyusha attacks kill Israeli

(Continued from page 1)

ed. Hizbollah claimed the Katyusha attacks.

A spokesman for the group in Beirut said: "In retaliation for arbitrary measures taken against our people and in line with our pledge to defend them against criminal actions, the Islamic Resistance (Hizbollah's armed wing) bombarded the towns of Safed, Nahariya and Qiryat Shemona."

The last Katyusha attack on northern Israel was in October.

Lebanese security officials said about 30 Katyusha rock-

ets were fired at northern Israel from areas controlled by Hizbollah.

Three salvos of seven rockets each were fired from the Tyre region and nine more rockets from the Nabatiya area, they said.

Israeli Housing Minister Benjamin Eliezer said the rocket attack was "a flagrant violation of the accords and deserves a military riposte."

"Our aircraft have already begun to retaliate anyway against the terrorists in Lebanon," he told Israel Television.

## Court orders review of testimony

(Continued from page 18)

convicts in the case was a minor at the time when the crimes in question took place and therefore he should be tried under laws related to juveniles.

The case stemmed from a series of explosions and attempted bombings of public places, including cinema theatres and liquor stores, and plots against Jordanian and Palestinian peace negotiators.

Crude homemade devices exploded at two cinemas in January and February last

year, injuring seven or eight people, including a man who was subsequently found guilty of planting the explosives which went off prematurely.

Several other bombs discovered and defused at other places.

The State Security Court verdict was related on subversion charges. It rejected a charge that the accused belonged to an ill organisation saying there is no evidence to the extent of such a group.



## Prices, turnover at AFM reverse a 3-week decline

"Japan has not lived up to its responsibilities in opening their markets in a way that would be productive not only for the United States and global growth but for Japan as well," Mr. Kantor said.

Mr. Kantor said that talks in Tokyo this week on the auto sector, in which the United States put forward new proposals "made no great movement," but added "we did not expect in the first meetings."

"We are not going to make any threats," said Mr. Kantor. "We are not going to leave the table ... but we are going to insist that these markets are open and that they stay open."

listened in the market were traded. As trading closed for the week, stocks of 50 companies showed gains, 21 showed declines and six closed with prices unchanged.

Brokers said investors had taken heart from a public promise made by U.S. Vice President Al Gore, who was in Amman on March 21, that the Clinton administration was determined to cancel Jordan's official debts of about \$488 million to the U.S. as a reward for the Kingdom signing a peace treaty with Israel in October 1994.

Adding to the enthusiasm was the intervention by institutions which sought to raise stock market index above the psychological mark of 140 points, said the brokers, who, under standing market guidelines, cannot be

U.S. currency let go of 1.37 marks and traded marginally weaker.

"The speed at which the dollar gave up its gains was very unsettling," said Rainer Siegelkow, senior economist at West-Ib. in Duesseldorf.

"The dollar is facing more tough times."

Wall Street shed a massive 60 points before checking itself and halving losses. Leading European shares shed well over one per cent, with most notable losses in Germany.

Germany's interest rate cut Thursday gave only a brief boost to the dollar. Its fundamental weakness stems from the huge U.S. budget and trade deficits and financial disquiet further south in Mexico.

Some analysts argue that a U.S. rate rise could bail out the dollar, but many economists believe even that would not heal long-term wounds, such as dependence on foreign capital to finance the U.S. economy.

There is a feeling that anything could be possible now if all this can happen a day after the Bundesbank cuts rates," said a spot dealer at a U.S. bank in London.

**ARIES:** (March 21 to April 19) Know what the desires of those who dwell with you are and cooperate more with them, give them backing. Much can be accomplished today.

**TAURUS:** (April 20 to May 20) It is important that you give partners information they need if you are to gain their cooperation more willingly.

**GEMINI:** (May 21 to June 21) You have to be persistent if you are to gain the benefits which are rightfully yours. Listen to the ideas of a fellow associate.

**MOON CHILDREN:** (June 22 to July 21) Utilise your spare time today for any measures your like so that they are beyond your range of knowledge.

**LEO:** (July 22 to August 21) If you feel frustrated at home today, discuss this with your family members and make better arrangements. Get your abode in fine order.

**VIRGO:** (August 22 to September 22) Discuss a better way to handle daily routines today with partners and fellow associate. Let there be a spirit of comradeship by others you meet.

**LIBRA:** (September 23 to October 22) Bigwigs are watching how you handle your tasks and finances today, so be sure to do your best. Show that you are thinking clearly.

**SCORPIO:** (October 23 to November 21) Try to contact individuals who have the information you need to get your plans working better and you will be more successful.

**SAGITTARIUS:** (November 22 to December 21) Do the research assignments quietly which will provide the facts and figures you need today so that you can make real progress.

**CAPRICORN:** (December 22 to January 20) Outline your plans today to good friends and allies and they will cooperate with you, and this will be mutually helpful.

**AQUARIUS:** (January 21 to February 19) Study your business duties today and perform them well so that a bigwig will be impressed and you will gain extra benefits.

**PISCES:** (February 20 to March 20) Be clever and you can gain your fondest ambitions, but not dally for best results. You can relieve tensions tonight with the company of loved ones.

Birthstone of April: Diamond — Amethyst

BRUNO, YOU STOP CHASING CARS!

A Classic Dog Character  
The Great Dane Series, Inc.

STUPID, DON'T YOU KNOW A PARKED CAR WHEN YOU SEE ONE?

AL SMITH

**And that cloud looks like the weight I gained back after my second diet...**"

**JUMBLE** THAT SCRAMBLED WORD GAME  
by Henri Arnold and Mike Argente

Unscramble these four Jumbles. One letter to each square, to form four ordinary words.

**ENPOY**  
 □ □ □ □ □ □ □ □

**YESTT**  
 □ □ □ □ □ □ □ □

**FAYLBB**  
 □ □ □ □ □ □ □ □

**LANDOU**  
 □ □ □ □ □ □ □ □

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When, it's hot — could use some of those blowers. Stands are empty.

**WHAT THE TEAM NEEDED DURING THE HOT STREAK.**

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: □ □ □ □ □ □ □ □ OF □ □ □ □ □ □

(Answers tomorrow)

Yesterday's Jumbles: KEYED LADLE UNPACK FACTOR  
 Answer: What Mom got when she answered the phone — A CRANK-Y CALL

1 Jovial/er field  
5 Fragrant compound  
10 Stylishly up-to-date  
13 Mafny  
14 Tropical vine  
15 Tipper  
16 Drop anchor  
17 Green Mountain man  
18 Make an effort  
21 With pleasure  
22 Country on the Arabian Peninsula  
23 Nanny, e.g. — island, N.Y.  
26 Kind of ball  
30 — Auld  
31 Hardon  
32 Perfume base  
34 Christenize today  
36 Leathier  
38 Do the side stroke  
39 Afro native  
41 Uses a stopwatch  
43 Bar elat  
44 One of temper  
45 Outcasts  
46 Babel text  
48 Lay —, Milan  
50 Run in a first aid kit  
53 Gals  
55 Island of Jeyne Meadows  
56 Errantry  
57 Brawl  
58 Jeering  
60 Cessar or  
61 Brawl  
62 Poetic peadid  
63 Long time  
64 Achumen jelly

DOWN  
2 NC college  
3 Writer-actor  
4 Main or main  
5 — hour (least possible time)

8 Squatish  
9 Mountain goat  
10 Spanish queen  
11 Jewelled  
12 Shap  
13 City on the Ork.  
14 Gateway  
15 Quick looks  
16 Actor Defon  
20 Singing brothers  
21 Ray in Brazil  
24 Errima  
25 Inventor Nikola  
26 Person of mixed ancestry  
27 Oscar-winning producer  
28 Racket  
29 St. — fire  
32 Words on a Wikipedia cookie  
35 Lost longer than  
36 Colder down  
40 Group of three  
42 Cleatle  
43 —  
45 —

47 Go by  
48 Dirty gal  
50 Man is one  
51 Amerind  
52 Bruce of films  
53 Miss Orders  
54 Moore of films  
55 Utrona  
57 New Gurnea port

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Puzzle solved:

T	A	M	E	R	P	R	O	P	E	D	A	N
Y	O	A	N	E	R	I	N	G	E	R	I	N
A	D	A	T	E	R	N	O	D	S	I	T	A
Y	E	A	S	A	T	O	W	E	R	S	F	L
A	N	T	A	D	I	O	E	R	A	F	I	R
A	T	E	R	I	N	G	E	R	I	N	G	E
G	A	M	E	R	I	N	G	E	R	I	N	G
G	A	M	E	R	I	N	G	E	R	I	N	G
O	A	T	E	R	I	N	G	E	R	I	N	G
L	E	T	I	N	G	E	R	I	N	G	E	R
M	E	R	I	N	G	E	R	I	N	G	E	R
M	E	R	I	N	G	E	R	I	N	G	E	R
A	B	O	O	T	E	R	I	N	G	E	R	I
A	B	O	O	T	E	R	I	N	G	E	R	I
Y	E	R	I	N	G	E	R	I	N	G	E	R
A	P	E	R	I	N	G	E	R	I	N	G	E



# Business daily beat

A review of economic news from the Arabic press

## Season of 1994 financial accounts begins

★ THE JORDAN Electric Power Company (JEPCO) doubled its net profit in 1994, raising it to JD 5.96 million compared to JD 2.98 million in 1993. JEPCO's total earnings were JD 86.82 million in 1994. The cost of purchased energy, general expenditures, depreciation and loan interests totalled JD 80.86 million. JEPCO added 405,513 subscribers to its list in 1994. The JEPCO board chairman said that despite the flotation of three million shares for public subscription, the company is still in need for more financing due to the large projects that are being implemented. JEPCO's capital now stands at JD 15 million with total assets reaching JD 134.8 million at the end of last year. The board of directors is recommending to the general assembly the distribution of JD 1.62 million in dividends at a rate of 12 per cent for old shares and six per cent for new shares (Al Aswak).

★ THE HOUSING Bank increased its loans and credit facilities last year by 26 per cent, or JD 48.4 million, to JD 237.4 million compared to JD 189 million in 1993. Despite over JD 129 million in repayments, the balance of loans and credit facilities stood at JD 524.2 million at the end of 1994 compared to JD 443.6 at the end of 1993. The Bank, which has 117 branches in Jordan, has obtained a permission to open a branch in Ramallah which is expected to start operations this year. The Housing Bank made JD 5.01 million net profit last year compared to JD 6.64 million in 1993. Chairman Zuhair Khoury attributed the decline to profitable sales of share investments in 1993 while, due to slackness at the Amman Financial Market, the bank was not able to make profit on capital investments in 1994. Total assets of the bank amounted to JD 972 million and total deposits stood at JD 816.9 million at the end of 1994 compared to JD 892.4 million and JD 745.5 million respectively in 1993. The board of directors is recommending to the general assembly the distribution of JD 1.82 million, or 16 per cent, in dividends (Al Aswak).

★ THE GENERAL assembly of the Jerusalem Insurance Company (JIC) approved distributing 19 per cent, or JD 204,250, dividends to shareholders. The JIC collected JD 5,563,187 in premiums last year, 50.1 per cent of which (or JD 2.79 million) came from the vehicles department and 19.5 per cent (JD 1.1 million) from the life insurance department. The marine department contributed 16.8 per cent (JD 135,100), the fire department 11.6 per cent (JD 644,300) and the general accident department two per cent (JD 13,500).

The total of premiums in 1994 was 8.2 per cent higher than the amount in 1993. The IC's annual report showed a D 253,000 loss at the vehicle department but nearly 36 per cent higher profits at their departments resulted in a overall profit of JD 52,000 compared to JD 52,000 profit in 1993. Earnings from various investments totalled JD 36,000 (JD 259,000 in 1993) ringing the total profit to JD 38,000 (JD 711,000 in 1993). After deducting various location, net profit for 1994 stood at JD 498,000 (Al Dusur).

★ STATISTICS from the Jordan Chamber of Industry show that Jordanian exports totalled JD 762 million last year, 16 per cent higher than a figure in 1993. Value of exports in 1994 amounted to JD 200 million (Al Dusur).

AMMAN FINANCIAL MARKET					
HOUSING BANK CENTER AMMAN - SWEISANI					
TELEPHONE: 660170 / 663170					
ORGANIZED MARKET TRADING ACTIVITY FOR THE PERIOD (25/03/1995 - 29/03/1995)					
WEEKLY REPORT					
COMPANY'S NAME	TRADING VOLUME	PREV. CLOSING PRICE	OPENING PRICE	CLOSING PRICE	
JD	PRICE				
ARAB BANK PIG	383,385	186.850	186.850	190.000	
JORDAN NATIONAL BANK	206,080	4.350	4.350	4.500	
JORDAN NATIONAL BANK / NEW	56,930	4.260	4.260	4.440	
BANK OF JORDAN	42,879	3.450	3.450	3.200	
MIDDLE EAST INVESTMENT BANK	9,100	1.400	1.400	1.420	
INDUSTRIAL DEVELOPMENT BANK	469	2.640	2.640	2.750	
THE HOUSING BANK	145,135	6.020	6.020	6.100	
JORDAN KUALAT BANK	9,437	2.900	2.900	2.850	
JORDAN GULF BANK	20,900	1.210	1.210	1.180	
ARAB JORDAN INVESTMENT BANK	3,256	3.500	3.500	3.380	
JORDAN ISLAMIC BANK	122,666	3.760	3.760	3.900	
BUSINESS BANK	1,650	3.300	3.300	3.300	
JORDAN INVESTMENT & FINANCE BANK	17,557	3.650	3.650	3.580	
BEIT KHALAL SAVING & INVESTMENT FOR HOUSING	18,281	3.000	3.000	3.020	
AMMAN BANK FOR INVESTMENT	236,630	1.070	1.070	1.140	
ARAB BANKING CORPORATION/JORDAN	4,287	4.000	4.000	4.000	
PHILADELPHIA INVESTMENT BANK	15,874	1.230	1.230	1.240	
<b>BANKS SECTOR</b>	<b>1295465</b>	<b>INDEX NUMBER: 160.12</b>			
	<b>CHANGE</b>	<b>+1.59%</b>			
JORDAN INSURANCE	3,273	3.250	3.250	3.250	
ARABIAN SEAS INSURANCE	20,000	1.850	1.850	1.800	
JORDAN FRENCH INSURANCE	206,357	2.540	2.540	2.610	
ARAB LIFE & ACCIDENT INSURANCE	11,960	2.600	2.600	2.600	
THE NATIONAL AMLA INSURANCE	6,300	3.000	3.000	3.150	
<b>INSURANCE SECTOR</b>	<b>248690</b>	<b>INDEX NUMBER: 135.46</b>			
	<b>CHANGE</b>	<b>+0.55%</b>			
JORDANIAN ELECTRIC POWER	143,538	1.570	1.570	1.630	
JORDANIAN ELECTRIC POWER / NEW	515,489	1.490	1.490	1.570	
JORDAN HOTEL & TOURISM	36,930	6.850	6.850	7.500	
IRBID DISTRICT ELECTRICITY	470	0.990	0.990	0.940	
JORDAN HYDRO MINERAL	275	2.800	2.800	2.750	
ARAB INTERNATIONAL HOTELS	4,464,774	5.090	5.090	6.080	
ARAB INTERNATIONAL HOTELS / NEW	500,108	4.850	4.850	5.850	
JORDAN NATIONAL SHIPPING LINES	88,339	2.940	2.940	2.970	
NATIONAL PORTFOLIO SECURITIES	28,436	1.920	1.920	2.000	
REAL ESTATE INVESTMENT	8,272	1.120	1.120	1.180	
JORDAN INTERNATIONAL TRADING CENTER	5,998	0.910	0.910	1.050	
WACHBANY EQUIP. RESTING & MAINTENANCE	12,353	0.660	0.660	0.680	
JORDAN PRESS FOUNDATION / ALRAI	6,942	10.400	10.400	10.050	
UNITED MIDDLE EAST & COMMODORE HOTELS	134,973	2.290	2.290	2.420	
ARAB INTER. FOR INVESTMENT & EDUCATION	88,137	3.350	3.350	3.320	
<b>SERVICES SECTOR</b>	<b>6035033</b>	<b>INDEX NUMBER: 132.76</b>			
	<b>CHANGE</b>	<b>+5.62%</b>			
ATTACHEE CONST. MATERIAL MANUFACTURING	726	1.060	1.060	1.030	
THE JORDAN CEMENT FACTORIES	268,788	2.990	2.990	3.050	
THE ARAB FOYER/NEW	10,193	4.500	4.500	4.600	
JORDAN PETROLEUM REFINERY	69,258	9.230	9.230	9.350	
<b>WOOLLEN INDUSTRIES</b>	<b>1,044</b>	<b>1.790</b>	<b>1.790</b>	<b>1.740</b>	
THE INDUSTRIAL COMMERCIAL & AGRICULTURAL	7,607	3.470	3.470	3.500	
THE JORDAN WORSTED MILLS	79,454	7.400	7.400	7.600	
ARAB PHARMACEUTICAL MANUFACTURING	375,764	4.030	4.030	4.140	
JORDAN CERAMIC INDUSTRIES	27,013	5.890	5.890	5.750	
JORDAN DAIRY	910	2.110	2.110	2.330	
THE JORDAN PAPER MANUFACTURING	53,124	2.680	2.680	2.700	
JORDAN PAPER & CARDBOARD FACTORIES	8,000	4.000	4.000	4.000	
THE PUBLIC MINING	570	2.920	2.920	2.850	
SPINNING & WEAVING	266,508	2.500	2.500	2.550	
RAPIA INDUSTRIES	72,501	2.730	2.730	2.550	
DAR AL DAMA DEVELOPMENT & INVESTMENT	224,174	7.480	7.480	7.650	
ARAB INVESTMENT & INTERNATIONAL TRADE	46,442	0.850	0.850	0.930	
ARAB ALUMINIUM INDUSTRY	101,803	6.350	6.350	6.600	
LIVESTOCK & POULTRY	152,700	0.620	0.620	0.680	
ARAB PAPER CONVERTING & TRADING	195,736	1.390	1.390	1.470	
NATIONAL STEEL INDUSTRY	13,490	3.400	3.400	3.350	
INTERMEDIATE PETRO-CHEMICAL INDUSTRIES	57,186	2.000	2.000	2.140	
JORDAN ROPEWOOL INDUSTRIES	19,530	1.100	1.100	1.190	
JORDAN INDUSTRIES & MATCH/JIMCO	17,942	0.640	0.640	0.680	
NATIONAL CABLE & WIRE MANUFACTURING	41,710	4.550	4.550	4.540	
JORDAN SULPHO-CHEMICALS	29,482	1.320	1.320	1.490	
ARAB CENTER FOR PHARM. & CHEMICALS	66,926	2.100	2.100	2.300	
KAWTHER INVESTMENT	3,487	1.550	1.550	1.550	
UNIVERSAL MODERN INDUSTRIES	80,286	3.530	3.530	3.520	
JORDAN INDUSTRIAL RESOURCES CO.	27,639	1.980	1.980	2.050	
<b>INDUSTRIAL SECTOR</b>	<b>2320514</b>	<b>INDEX NUMBER: 120.25</b>			
	<b>CHANGE</b>	<b>+1.80%</b>			
<b>GRAND TOTAL</b>	<b>9899701</b>	<b>INDEX NUMBER: 141.77</b>			
<b>PARALLEL MARKET TRADING ACTIVITY FOR THE PERIOD (25/03/1995 - 29/03/1995)</b>					
<b>WEEKLY REPORT</b>					
COMPANY'S NAME	TRADING VOLUME	PREV. CLOSING PRICE	OPENING PRICE	CLOSING PRICE	
JD	PRICE				
CENTRAL GENERAL TRADING & STORAGE	77,135	0.880	0.880	0.900	
JORDAN TRADE FACILITIES	24,273	0.740	0.740	0.770	
MIDDLE EAST FOR DEVL. & TRADE CO.	1,507	0.500	0.500	0.490	
SARFA PRIVATE UNIVERSITY	38,895	1.400	1.400	1.390	
UNIFIED CO. FOR ORGANIZING LAND TRANS.	82,666	1.950	1.950	1.970	
ARAB FIM INV.CO	158,888	0.890	0.890	0.920	
NATIONAL CHLORINE INDUSTRIES CO.LTD	5,829	1.470	1.470	1.570	
NATIONAL TEXTILE & PLASTICS IND. CO	29,701	1.040	1.040	1.090	
JORDAN NEW CABLE COMPANY	30,769	1.550	1.550	1.640	
EL-KAY READY WEAR MANUFACTURING CO.	3,368	2.190	2.190	2.150	
INTERNATIONAL TOBACCO & CIGARETTES	54,848	1.490	1.490	1.520	
UNIVERSAL METALS	790	1.590	1.590	1.580	
UNION CHEMICAL & VEGETABLE OIL INDUSTRY	2,669	2.520	2.520	2.400	
JORDAN STEEL	27,077	0.930	0.930	0.950	
ARAB ELECTRIC INDUSTRIES	10,802	0.860	0.860	0.930	
<b>GRAND TOTAL</b>	<b>543216</b>				

## Prices, turnover at AFM reverse a 3-week decline

(Continued from page 14)

140-point mark is also a signal to go for blue chips," said the broker. However, foreign buying was very limited, the broker added.

AFM brokers and investors keep a very close eye on foreign buyers, who have come in with less than \$10 million into the Jordanian stock exchange although they have official approvals for up to \$200 million since 1994. "Foreign firms are very calculative and are fussy than local firms when it comes to buying at the AFM," said another AFM dealer. "They don't react to market rumours and speculation as many of their local counterparts do. As such, when a foreign buyer does come in to buy, then there is a scramble in the market among the locals to anticipate foreign interests."

One of the main factors behind the plunge in prices in the last three weeks was a crunch in liquidity resulting from a drain of capital from the stock market to more lucrative commercial bank deposits.

The situation did not change this week, but the institutional intervention brought in some liquidity into the market and hence the bulk of the improvement in prices as well as turnover, the brokers said.

More than a dozen companies also announced their 1994 results, and some of them did better than expected and drew investor interest, said the brokers.

## Financial Jordan Times Markets

in co-operation with Cairo Amman Bank

U.S. Dollar in International Markets

Currency	New York Close 29/3/95	Tokyo Close 30/3/95
Sterling Pound	1.6128	1.6119**
Deutsche Mark	1.3828	1.3797
Swiss Franc	1.1465	1.1360**
French Franc	5.8805	4.8675**
Japanese Yen	88.35	88.19
European Currency Unit	1.3175	1.3219**

\* Lib for 100% \*\* European Currency Unit (ECU) 1994

Bartermarket Interest Rates Date: 30/3/1995

Currency	1 MTH	3 MTH	6 MTH	12 MTH
U.S. Dollar	5.87	6.00	6.18	6.50
Sterling Pound	4.12	4.25	4.75	7.31
Deutsche Mark	4.62	4.75	4.81	5.06
Swiss Franc	3.37	3.37	3.56	3.68
French Franc	7.87	7.87	7.82	7.37
Japanese Yen	1.87	1.87	1.75	1.75
European Currency Unit	6.68	6.84	6.93	7.12

Interbank bid rates for overnight sterling 100% dollar Lib for 100% equivalent.

Central Bank of Jordan Exchange Rate Bulletin Date: 30/3/1995

Currency	Old	Offer
U.S. Dollar	0.6870	0.6890
Sterling Pound	1.1060	1.1115
Deutsche Mark	0.4970	0.4995
Swiss Franc	0.6016	0.6046
French Franc	0.1408	0.1415
Japanese Yen	0.7772	0.7811
Dutch Guilder	0.4440	0.4462
Swedish Krona	0.0805	0.0805
Italian Lira	0.0805	0.0805
Belgian Franc	0.0805	0.0805

\* For 100

Other Currencies Date: 30/3/1995

Currency	Old	Offer
Bahraini Dinar	1.8070	1.8200
Lebanese Lira	0.04800	0.04820
Saudi Riyal	0.1819	0.1838
Kuwaiti Dinar	3.3120	3.3620
Qatari Riyal	0.1876	0.1890
Egyptian Pound	0.1980	0.2080
Omani Riyal	1.7750	1.7870
UAE Dirham	0.1865	0.1876
Greek Drachma	0.2585	0.2650
Cypriot Pound	1.4770	1.5870

## LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London Foreign Exchange and bullion markets Friday.

U.S. \$1.00 costs	1.4012/22	Canadian dollar
	1.3818/38	Deutschemarks
	1.5462/82	Dutch guilders
	1.1386/06	Swiss francs
	28.43/47	Belgian francs
	4.8420/70	French francs
	1711.06/0	Italian lire
	87.15/25	Japanese yen
	7.3775/75	Swedish crowns
	6.1540/90	Norwegian crowns
	5.4625/75	Danish crowns
	\$1.6116/36	
One sterling		
One ounce of gold	\$386.20/386.70	

## JORDAN MARKET PLACE

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## Cantona sentenced to 120 hours of community service

LONDON (AFP) — Manchester United star Eric Cantona was sentenced to 120 hours community service in Croydon Crown Court on Friday after winning his appeal against a two week jail sentence for assaulting a spectator.

Cantona shrugged and gave a slight smile at news of his freedom, as fans in the packed public gallery broke into applause and then mobbed him in the dock.

The Frenchman, who has been banned by the Football Association from all football until September 30 and fined a total of 30,000 pounds, looked relieved by the decision and shook hands with well-wishers inside the court.

Outside the court, United fans cheered and sang a rendition of the Marseillaise as news of his successful appeal reached them.

The French striker was flanked by several police officers and remained unsmiling as he made the short journey from the court across the main road to the hotel where he had stayed overnight.

Many fans had travelled to London from Manchester to support their idol. One emerged from the court, shouting: "Eric is free, long live the king."

Before reaching his decision Judge Ian Davies said that victim Matthew Simmons had indulged in conduct that would "provoke the most stoic."

Judge Davies added: "We believe that Mr. Cantona acted in a way out of character and would not have done so without the provocative conduct aimed at him."

"Mr. Cantona is 28, of good character and has already been fined by his club and the Football Association. He has been prevented from playing football for eight months and Mr. Simmons only received minor injuries. Mr. Cantona recognises that he should have controlled himself and not allowed himself to be goaded to act, as it was, on the spur of the moment."



Manchester United star, Eric Cantona, leaves the court surrounded by policemen (AFP photo)

In passing his verdict the judge said: "We express the hope that he will be able to be used in carrying out his public duty to the community by helping young people who aspire to be professional footballers and others who merely aspire to play the game and enjoy it."

Cantona was originally given the jail sentence by East Croydon Magistrates court eight days ago when he pleaded guilty to assaulting Crystal Palace fan Simmons after being sent off in United's match at Selhurst Park on January 25.

But three hours later the controversial Frenchman was freed on bail by the Crown Court pending the appeal. The severity of the magistrates' sentence took everybody by surprise and was

denounced by Gerhard Aigner, secretary-general of the European Football Union (UEFA).

Prosecuting lawyer Mr. Mark Dennis told Judge Davies on Friday that Simmons had rushed from his 11th row seat down to the hoardings at the side of the pitch and began delivering a tirade of abuse as Cantona walked towards the dressing-room.

Simmons will appear in court on May 23 after pleading not guilty last Friday to charges of public order offences relating to the incident.

Cantona's colleague and England international Paul Ince, who has denied a charge of common assault arising from the Selhurst Park incident, is due to appear in court on May 23.

## Court jails three in Corsican stadium disaster

BASTIA, Corsica (R) — A French court on Friday jailed three men over the 1992 collapse of a Corsican soccer stadium stand, which killed 17 people and injured more than 2,300.

The court sentenced Jean-Marie Boismond, the engineer responsible for building the stand, and Michael Lorenzi, former vice-president of Bastia soccer club to two years' imprisonment. Bernard Rossi, a safety inspector, was jailed for 18 months.

Boismond and Rossi were convicted of manslaughter. Lorenzi was convicted of forgery.

After an emotional trial in January, the judges took two months to reach their verdict on the collapse of a temporary stand at Bastia's Furiani Stadium on May 2, 1992, minutes before kick-off for a French Cup semi-final game against Marseille.

France's worst soccer disaster drew comparisons with the deaths of 96 Liverpool fans crushed at Hillsborough Stadium in Sheffield, England in 1989 and the 39 people killed in a 1985 riot between Liverpool and Juventus fans at Brussels' Heysel Stadium.

## European soccer scores

By the Associated Press

**Group 1**  
Romania 2, Poland 1  
Israel 0, France 0  
Slovakia 4, Azerbaijan 1

**Group 2**  
Cyprus 1, Denmark 1

**Group 3**  
Turkey 2, Sweden 1  
Hungary 2, Switzerland 2

**Group 4**  
Lithuania 0, Croatia 0  
Slovenia 3, Estonia 0  
Ukraine 0, Italy 2

**Group 5**  
Czech Republic 4, Belarus 2  
Netherlands 4, Malta

**Group 6**  
Ireland 1, Northern Ireland 1  
Austria 5, Latvia 0

**Group 7**  
Georgia 0, Germany 2  
Bulgaria 3, Wales 1  
Albania 3, Moldova 1

**Group 8**  
Russia 0, Scotland 0  
San Marino 0, Finland 2

## Ainge leads Suns over Sacramento

SACRAMENTO (R) — Danny Ainge scored all 11 of his points in the fourth quarter as the Phoenix Suns snapped a three-game losing streak with a 113-96 victory over the Sacramento Kings Thursday.

Sacramento closed to 84-82 on a jumper by Randy Brown with 10:14 to play, but the Suns scored 10 straight points, including six by Ainge, to take a commanding 94-82 lead on an 18-footer by Ainge with 5:55 remaining.

Charles Barkley scored 27 points and Kevin Johnson 17 for the Suns, who moved back into first place in the Pacific Division, one-half game ahead of idle Seattle.

In Charlotte, Roy Tarpley scored eight of his 22 points in a key 18-6 fourth-quarter run as the Dallas Mavericks set a franchise record with their sixth straight road victory, a 125-107 triumph over the Charlotte Hornets.

Popeye Jones scored 22 points with 11 rebounds and Jamal Mashburn added 16 points for the Mavericks, who have won nine of their last 10 games.

The victory pulled Dallas within 2½ games of the Sacramento Kings for the final Western Conference playoff berth.

Hersey Hawkins scored 31 points for Charlotte. In Chicago, Michael Jordan scored four of his 23 points in an 11-0 run spanning the final two quarters to lead the Chicago Bulls to a 100-82 victory over the struggling Boston Celtics.

Scottie Pippen scored 17 points and Toni Kukoc had his first career triple-double with 14 points, 11 assists and 10 rebounds as Chicago won its third straight game and 10th of its last 13.

Derek Strong scored 17 points and Dominique Wilkins had 14 for the Celtics, who have lost 10 of their last 13 games.

At Golden State, Grant Long led seven players in double figures with 21 points as the Atlanta Hawks cruised

to a 108-80 victory over the Golden State Warriors.

Steve Smith scored 17 points and Andrew Lang added 14 points and 11 rebounds for Atlanta.

Ryan Lortch scored just 12 points to lead the Warriors.

"Nobody earned a dime tonight, except (David Wood)," said Warriors coach Bob Lanier. "They need to hand in their checks. When you don't bring effort to get your paycheck, that's not on

## Weightlifting champion fails drugs test

FRANKFURT (R) — World weightlifting champion Alexander Kurlovich of Belarus, who was once banned from the sport, has failed a drugs test, Germany's SID news agency reported on Thursday.

A second test conducted by Cologne-based doping expert Manfred Donike confirmed results of a test in January that found the Anabolick steroid metandione in the Belarusian's urine, it said.

The report could not be independently confirmed.

Rolf Feser, general secretary of The German Weightlifting Union (BUDG), had announced the original finding.

Kurlovich, a four-times world champion and owner of two Olympic medals, set a world snatch record of 205.0 kilograms in the men's over 108 kg category at the World Championships in Istanbul last November.

In 1984, Kurlovich was fined \$450 in Canada when he and former Soviet Union teammate Anatoly Piskarenko were convicted of illegally possessing a quantity of methandrostenolone or dianabol for sale.

The drugs were found in their luggage when they arrived for a competition.

## SPORTS IN BRIEF

### China bans 9 coaches

BEIJING (AFP) — The Chinese sports authorities have banned nine coaches, including five from the country's swimming squad, for drug taking, officials said Friday. The coaches were banned for a year for their role in 31 doping cases in China in 1994. Eleven athletes tested positive for banned performance enhancing drugs at last year's Asian Games in Hiroshima, Japan. The International Swimming Federation (FINA) and Olympic Council of Asia (OCA) this week decided there was not enough evidence to say there was organized drug taking in China. The five swimming coaches were banned for their role in the drugs taken by seven swimmers who failed tests in Hiroshima. Two of the swimmers later banned for two years were world champions Yang Aihua and Lu Bin.

### Goalkeeper scores with solo effort

BOGOTA (R) — Miguel Calero kept alive the tradition of flamboyant Latin American goalkeepers when he scored with a brilliant individual effort to keep Deportivo Cali top of the Colombian soccer championship. Calero's astonishing solo run, which began near his own goal, came in the 88th minute of the game at home to Pereira with the score at 1-1. He rushed out of his goal to intercept a Pereira breakaway, dribbled the ball past an oncoming forward, charged into the opposing half and then scored with a powerful left foot shot.

### Missing Maradona found

BUENOS AIRES (AFP) — Argentina's football star Diego Maradona, who disappeared four days ago, has been found in a hotel in downtown Buenos Aires where he had reportedly locked himself in a room. The former Argentina captain, now on the staff of Racing Club, was reportedly suffering a profound emotional crisis, and there was media speculation that he was having marital problems, or that he was undergoing drug rehabilitation. Once he had been found, Maradona refused to speak to his agent, Marcos Franchi, and his lawyer. Instead he remained in his room with a brother-in-law and a nephew. Racing Club president Juan Destefano confirmed that Maradona had been found, and said the former star would travel with the team to Cordoba on Friday for a weekend match.

### Larsson out for 6 weeks

ROTTERDAM (R) — Feyenoord's Swedish international striker Henryk Larsson will be out of action for six weeks after undergoing a knee operation on Friday. Dutch news agency ANP said, citing the player's doctor. Larsson, the Dutch club's key attacker as they strike for a place in next season's UEFA Cup, injured his knee during Sweden's surprise 2-1 defeat by Turkey in their European Championship group three qualifier on Wednesday.

### Fan gives good luck poem to Cantona

LONDON (R) — A young British fan gave a cheeky "good luck" card to Manchester United's Eric Cantona in court on Friday, minutes before the French striker's appeal against a two-week jail sentence was heard. Sebastian Pennells, 13, had got up before dawn to travel to Croydon, south of London, where Cantona's appeal was being heard in the crown court. His card read: "Eric is an idol, Eric is a star, if my mother had her way, he would also be my pa (father)." Cantona's sentence was quashed and he will do 120 hours of community service instead.

### 33 months demanded for Seles attacker

HAMBURG (AFP) — Hamburg's state prosecutor called for a 33-month jail sentence for Gunther Parche, the man who stabbed tennis star Monica Seles in the back two years ago. The prosecution decided not to seek a sentence for the charge of "attempted murder," as requested by Seles' lawyers, but for "dangerous wounding." Parche, who attacked Seles during the Hamburg tournament in April 1993, had wanted his idol and compatriot Steffi Graf to take over from Seles as the women's world number one. Seles, 21, has not played since.

### Nigeria may seek African boycott

CAIRO (R) — Nigeria may try to get Africa to boycott the World Youth Championships after being dropped as hosts, an Egyptian Football Federation official has said. Nigerian officials are to meet leaders of the Confederation of African Soccer (CAF) in an attempt to get African support. The official, who declined to be named, said the Nigerians might seek an African boycott of the championships which are now to be held in the Gulf state of Qatar from April 13-28.

### Court hearing could end baseball strike

NEW YORK (AP) — On the eve of a federal court hearing that could end the U.S. major league baseball strike and stop replacement baseball, negotiators returned to the bargaining table for the players' response to management's new offer. Owners, during a Thursday conference call, formally approved using replacement players in a 26-2 vote, with only Baltimore and Toronto opposed. But with the court hearing had more bargaining, teams weren't sure if replacement baseball would start as scheduled Sunday night. "Right now, it's 50-50," Boston Red Sox chief executive officer John Harrington said.

### Doohan continues to dominate

KUALA LUMPUR (R) — World championship leader Michael Doohan continued his dominance of the new motorcycle season on Friday with a lap record during the first qualifying session for Sunday's 500cc Malaysian Grand Prix. The Australian, riding the Repsol Honda, raced round the Shah Alam Track in a time of one minute 25.059 seconds, breaking the time of 1:25.100 set in 1991 by American John Kocinski.

### Japan to play Brazil

TOKYO (AFP) — Japan and Brazil are to play a match here in August to celebrate 100 years of friendship between the two countries, the Japanese foreign ministry said Friday. Ken Naganuma, president of the Japan Football Association, reached an agreement with his Brazilian counterpart in Rio de Janeiro on Thursday. The two countries will also play an under-17 match at the Maracanao Stadium in Rio de Janeiro on Sunday as a part of the same celebrations.

### FURNISHED APARTMENT FOR RENT

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## Agassi gives United States the lead

PALERMO (Agencies) — Andre Agassi swept Andrea Quadenzi in straight sets Friday to give the heavily favoured U.S. team a 1-0 lead over Italy in Davis Cup play.

Agassi, the world's No. 2 player, won 6-4, 6-4, 6-1 in just over two hours. The match was interrupted for 90 minutes by rain.

The world's No. 1 player Pete Sampras faced Renzo Furlan in the second singles. Gaudenzi, ranked 19th in the world and Italy's top player, ignited hopes among the partisan crowd when he took a 2-0 lead in the first set. But they were short-lived.

Agassi's game proved too much, despite the especially slow red clay more adapted to the Italian's style.

The 21-year-old Gaudenzi played defensive tennis anchored to the baseline, rarely taking the game to his opponent. Agassi, in turn, moved him back and forth at will.

The crowd of 5,100 was partisan but friendly, often applauding the American who set a fashion note in his white-striped blue bermudas, striped shirt and black bandana over his short-cropped hair.

Agassi and Sampras put their rivalry on hold to play for the U.S. Davis Cup team. The two Americans have battled in three major finals this year in a rivalry that has become one of the best individual duels in sports.

But Davis Cup ties do not always play to form, given the partisan flavor, home court advantage and choice of surface.

In fact, the red clay of the Palermo Tennis Club is Sampras' weakest surface. He has

not played on clay in 10 months since losing to Jim Courier in last year's French Open quarterfinals.

"When you add up all the conditions, you hope to come through with a win," Agassi said after the draw Thursday.

But both Agassi and Sampras say they are determined to win and reverse the U.S. failure to reach a Davis Cup final since beating Switzerland three years ago.

Non-playing captain Adriano Panatta says it may be an advantage for his young team to be such underdogs. "Psychologically, we know we have nothing to lose," said the former French Open champion.

The pair of Stefano Pescosolido and Christian Brandi, who helped defeat the Czech Republic in February, face the world's top ranked partnership in Jared Palmer and Richey Reneberg.

The United States holds a 6-2 lead over Italy in Davis Cup play.

### India take 2-0 lead over Philippines

In New Delhi, Mahesh Bhupathy defeated Robert Angelo to give India a 2-0 lead over the Philippines in their Davis Cup Asia-Oceania Group One second round tie here Friday.

Bhupathy defeated Angelo, a last-minute replacement for the ailing Joseph Lizardo, 6-1, 6-3, 6-4.

Indian number one Leander Paes downed doubles specialists Sofronio Palahang 6-2, 6-0, 6-3 in the opening singles on the grass courts of the National Sports Club of India.

In Saturday's doubles, Paes and Gauray Natekar, the Asian Games champions, will take on Angelo and 19-year-old debutant Pio Tolentino.

The winner of the tie will earn a berth in the World Group play-offs to be held in September.

### Venezuela looking for upset against Argentina

Venezuela, coming off last month's upset of Uruguay that marked perhaps its best Davis Cup performance, hosts Argentina this weekend in an American Zone Group One semifinal tie.

The draw pitted Maurice Ruah, Venezuela's No. 2 player, against Argentina's best, Javier Frana, ranked 109 in the world, in the first singles match.

Nicolas Pereira, ranked 101 in the world, was to face Argentina's Federico Browne in the second singles match Friday afternoon on the hard courts of the Altamira Tennis Club.

Though playing away from their preferred red clay courts, the Argentines were favoured nonetheless. At the Pan American Games earlier this month, Pereira lost his singles and doubles matches by one-sided margins.

## NOTICE OF SALE

**Date of Sale:**  
Tuesday, April 4, 1995, from 9:00 a.m. to 12:00 p.m.

**Location:**  
Warehouse near 7th Circle.

**Items to be sold:**  
Furniture, large generator, hydraulic lift and various office items.

**Conditions of sale:**  
This sale will be conducted by seal-bid. Bid forms will be available at time of sale.

All items will be available for inspection at the time of sale. A deposit of 20 per cent of the total bid is required at the time of bid.

All bidders will be notified and deposits refunded beginning on Wednesday, April 5, 1995.

All property must be removed within 24 hours of notification. If not, a storage of JD 50 per day will be imposed.

All bids must be deposited by 12:00 p.m. on April 4, 1995.

All property is sold on an as-is, where-is, non-returnable basis for cash payment without refund or warranty.

## ANNOUNCEMENT OF TENDER No. N/23/95

The Ministry of Supply announced a bid to appoint a cargo agent for the (PL480) programme of 1995 to transport wheat from the U.S.A.

Those willing to participate in the tender can call on the ministry's secretary to obtain copies of the tender, including terms and specifications, for a non-refundable fee of JD 25. The closing date for offers is 12 noon on Tuesday April 18, 1995.

The Minister of Supply

## Inter-Continental Tokyo Bay to open

September 1, 1995 will be an auspicious day, as the Hotel Inter-Continental Tokyo Bay, with its contemporary styling and exciting atmosphere, opens the dawn of a new era on the Tokyo waterfront.

With an unmatched view of the Bay and Rainbow Bridge to one side and the Sumida River to the other, along with the expansive greenery of Hamarikyu and Kva-Shibarik Gardens.

The Hotel's exterior presents a graceful, contemporary appearance, while the homelike feeling of the interior provides a warm, inviting atmosphere. Guests are sure to find complete satisfaction with the tastefully designed, beautifully appointed rooms, the cosmopolitan selection of restaurants and bars, and the banquet halls with their spectacular views of Tokyo Bay. And of course, the carefully attentive service, a hallmark of every Inter-Continental Hotel, will only add to the pleasure of a stay here.

Hotel Inter-Continental Tokyo Bay is managed by Inter-Continental Hotels and Resorts (headquarters in London), and is the second major hotel the company has opened in Japan, following the Yokohama Grand Inter-Continental Hotel. One of the world's major hotel chains, Inter-Continental Hotels and Resorts has 142 hotels in 55 countries of which 124 are Inter-Continental and Forum Hotels and 18 Global Partner Hotels and Resorts.



# Sports

## Sanchez survives despite ankle sprain

HILTON HEAD ISLAND, South Carolina (AFP) — Arantxa Sanchez shrugged off a severe ankle sprain to beat Amanda Coetzer in three sets here Thursday, reaching the Family Circle Cup quarter-finals and securing her number-one ranking for another week.

The top-seeded Spaniard went into the match fighting the "flu". She fought back from a 5-2 deficit in the first set, then recovered after spraining her ankle in the second to win 7-6 (7-1), 3-6, 6-3.

"It's amazing to finish a match like that," she said. "But mentally I never gave up and stayed aggressive and didn't want to lose a match that way."

A defeat would have cost her the number-one spot when the new world rankings are released on Monday.

Now she is certain to keep that spot, at least for the time being, in front of fast-rising German Steffi Graf.

Her future in the tournament, however, remained uncertain because of the ankle injury.

"It's serious, and I have to be careful," she said, her ankle wrapped in bandages and ice. She dropped out of the doubles competition to nurse it.

The injury occurred in the fourth game of the second set, when she tripped motionless for several minutes.

WTA Tour trainers gave on-court treatment and she resumed play without any noticeable signs of pain.

"I remember I hit a forehand, I slid, and suddenly I'm on the ground and in a lot of pain," she said. "I guess because it was so warm it didn't feel so bad."

Coetzer took a 3-1 lead in



Spain's Arantxa Sanchez

the second set, then won six of the next eight games before Sanchez raised her game in the final set.

The Spaniard moved Coetzer from side to side, came to the net when she could and started hitting deeper to put pressure on Coetzer's groundstrokes.

In the quarter-finals, Sanchez was scheduled to meet fifth-seeded Bulgarian Magdalena Maleeva, who beat

American Chanda Rubin 6-3, 6-2.

Second-seeded Spaniard Conchita Martinez, the defending champion, advanced with a 6-2, 7-5 victory over Kristie Boeger.

Martinez will meet sixth-seeded Croatian Iva Majoli, who beat Irina Spirlea of Romania 6-1, 6-4.

Fourth-seeded Natasha Zvereva of Belarus beat American Sandra Cacic 7-5,

7-5 to line up a quarter-final clash with her old Soviet teammate Larisa Neiland, who beat American Ginger Helgeson-Nielsen 6-1, 5-7, 7-6 (7/5).

French qualifier Lea Ghirardi, who upset Gabriela Sabatini on Wednesday, had another win when she beat compatriot Sarah Pitkowski 6-4, 2-6, 6-4. And Italy's Silvia Farina beat Austrian Petra Schwarz-Ritter 6-2, 6-0.

## Court confirms Tapie bankrupt

PARIS (Agencies) — An appeals court ruled on Friday that maverick French soccer boss-turned-politician Bernard Tapie was bankrupt, clearing the way for him to be stripped of his French and European Parliament seats.

The ruling means the justice ministry may apply to the constitutional council to strip Tapie of his mandates and bar him from elected office for five years, but the self-made former millionaire has asked the government for a stay of execution.

The court ordered Tapie, 52, and his wife Dominique, who owe the state-owned bank Credit Lyonnais 1.2 billion francs (\$250 million) after the collapse of his business empire, to be placed in judicial liquidation.

The former Marseille soccer club chairman, who faces possible imprisonment in a match-rigging case on which the verdict is due next month, has written to Prime Minister Edouard Balladur asking that the justice ministry delay the procedure to strip him of his parliamentary seats while he seeks a retrial.

Justice Minister Pierre Mitterrand said on Thursday that Tapie's request was being considered.

Tapie, who was a protégé of socialist President Francois Mitterrand and served briefly as urban affairs minister in 1992-93, had hoped to run for mayor of Marseille in June.

Court ruling on Marseille next week

A Marseille court will rule next Thursday on whether former European soccer champions Marseille should go into receivership with debts estimated at 240 million francs (\$50 million), legal sources said on Friday.

Because of financial problems and a match-rigging scandal, Marseille were relegated to the second division last season despite finishing second to Paris St. Germain in the first division.

According to French League rules, if they went into receivership they would automatically be relegated again.

This would take Marseille, who have won the French League and French Cup 10 times each, into the semi-professional third division.

But French League president Noel Le Graet, long an arch-rival of former Marseille president Bernard Tapie, said he would do his utmost to avoid such an outcome.

Despite being in the second division, Marseille boast the highest attendance in France and attract big crowds at every away game.



Former heavyweight champion Mike Tyson (right) with promoter Don King.

## Tyson will fight again; retains promoter, managers

CLEVELAND (R) — Former heavyweight champion Mike Tyson said Thursday he will return to the ring with the same handlers who guided his career before he was jailed for three years on a rape conviction.

Tyson did not give a date for his next fight but said it would be held at the MGM Grand Hotel in Las Vegas, aired by the Cable Channel Showtime and promoted by Don King.

Tyson put an end to rumours of a rift with King, his long-time associate, calling him "the greatest promoter in the world."

The 28-year-old fighter also announced that his friends Rory Holloway and John Horne will continue as co-managers.

"Besides being my closest friends for many years, John and Rory have given me great advice in my professional career and they will continue to be my managers," he said.

It was Tyson's first public comment since his release Saturday from an Indiana prison where he served the rape sentence.

Details of Tyson's deals later emerged. His agreement with the MGM Grand was a 2½ year, six-fight deal that sources say could be worth as much as \$200 million to Tyson.

There also was an indication from sources close to the

MGM deal that Tyson's first post-prison fight will be in August.

The Showtime deal to broadcast his fights and allow him some work as a commentator covered three years, sources said.

Unlike Saturday when he left jail wearing loose-fitting clothes and a Muslim prayer cap, Tyson showed up at his news conference in a blue suit topped off with a jaunty straw boater, which he removed before reading a brief statement.

He took no questions from a crowd of reporters gathered at the MGM Grand and closed by saying "may Allah bless you all."

Tyson has said he underwent a conversion to Islam two years ago. His first stop on leaving prison Saturday was a local mosque where he prayed with boxing legend Muhammad Ali.

In his four-paragraph statement Tyson said:

"In the last three years I've had the chance to reflect on my life and develop my mind. I will continue my journey to making myself a better person so that I can help others."

"But I'm here today to make a statement about my professional future...I will fight again. I want to confirm John Horne and Rory Holloway as my co-managers."

"I also want to confirm that Don King will continue to promote my fights. Don is

the greatest promoter in the world."

Tyson said he had chosen Showtime to be his television network and that he would be fighting at the New MGM Grand Hotel in Las Vegas.

King has had a long-time association with Showtime.

Tyson at age 20 became the youngest man ever to win the heavyweight crown. He lost it in 1990 in a knockout by James "Buster" Douglas but was on a comeback trail before he was convicted of raping a beauty contestant in an Indianapolis hotel.

He remains on probation for four years under the supervision of officials in Ohio where he has a country estate near Youngstown. He made his first visit to his probation officer in Youngstown on Wednesday.

Matthew Saad Mohammad, a former light heavyweight champion who attended the news conference, said how fast Tyson can get back into fighting shape depends on his sincerity. It may take six months, it may take three months and it depends on who he's going to fight.

Published reports earlier this week had cast doubt on Tyson's relationship with King, saying that Tyson was miffed at the promoter for arranging a welcome home party that featured food and drink not allowed for followers of Islam.

## IAAF: Olympic champion escaped drug ban

LONDON (R) — The International Amateur Athletic Federation (IAAF) has admitted that Kenyan Olympic 800 metres champion William Tanui escaped a drugs ban 18 months ago because of irregularities in its testing procedures.

IAAF general secretary Istvan Gyulai confirmed on Thursday night that Tanui had tested positive for the banned stimulant norephedrine at an international meeting in New Delhi on September 14, 1993.

But he said due to "human error" Tanui had not received the mandatory three-month suspension and the positive result had never been made public.

Instead, the IAAF had informed the Kenyan Amateur Athletic Association (KAAA) that it had put the result on its records and that Tanui would be banned for four years if he offended again.

"Even if it was a mistake, the Tanui case should have been reported," Gyulai said. "No deal was struck with the Kenyan authorities to hush up the findings. A genuine mistake occurred."

According to IAAF officials, Tanui told the testing team at the New Delhi meeting that two weeks previously he had been using medication including Aspirin and cough syrup for a cold.

The samples were sent to the International Olympic Committee accredited anti-doping centre in Moscow which,

### GOREN BRIDGE

WITH OMAR SHARIF & TAMMAM HIRSHI

WHAT YOU DON'T KNOW CAN HURT

Both vulnerable, West deals.

**NORTH**  
♠ A K  
♥ A 4 2  
♦ A 9 8 4 2  
♣ 10 6 3

**WEST**  
♠ 7 6  
♥ J 9 7 3  
♦ Q 3  
♣ A 9 4

**EAST**  
♠ 8 4 2  
♥ 10 6  
♦ J 8 7  
♣ K J 8 5 2

**SOUTH**  
♠ Q J 10 9 5 3  
♥ 8 5  
♦ K 10 5  
♣ Q 7

The bidding:  
West North East South  
1 NT Pass 4 ♣  
Pass Pass Pass  
Opening lead: King of ♣

Don't underestimate the advantage declarer has in being able to see all the North-South assets. Even when declarer knows the contract can be defeated, the opponents, who don't have that information available, are at a disadvantage. This hand illustrates our point.

North's one-no-trump overall, with only 15 points and one stopper in the enemy suit, does not thrill us. We would have passed to await developments. South would have reopened and North-South would probably have settled in a safe part-score rather than a climb to an overly aggressive game.

West made the normal lead of the king of hearts and, when dummy appeared, declarer saw four losers—two clubs, a heart and a bearing a small miracle, a diamond. The diamond suit could probably be established by ducking a diamond early, but that would tip the hand to the defenders who would certainly make sure they got what tricks were their due.

Instead, declarer tried a dash of guile. South ducked the opening heart lead and won the continuation, then cashed the ace and king of spades. Next, declarer led a club to the queen!

In with the ace of clubs, West saw no future in returning a club and reversed to a heart. Declarer ruffed

and the contract could no longer be defeated. Declarer started ruffing off spades, bringing about this position:

**NORTH**  
♠ —  
♥ —  
♦ A 9 6  
♣ 10 6

**WEST**  
♠ —  
♥ —  
♦ Q 3  
♣ 9 4

**EAST**  
♠ —  
♥ —  
♦ J 8 7  
♣ K J 10 5

**SOUTH**  
♠ 10  
♥ —  
♦ K 10 5  
♣ 7

On the last trump East had to discard a club, as did the other two hands. East was then thrown in with a club and, on the forced diamond return, declarer made the last three tricks by simply playing the defenders for split honors and finessing accordingly.

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- Survey the local Jordanian market to identify available water - efficient equipment for domestic and industrial use; and,
- Install, test and evaluate selected water saving devices in selected sites.

**Offerors are requested to pick up the RFP document and Scope of Work from Room No. (215) Ministry of Water & Irrigation Bldg, on or before (12:00 noon, April 4, 1995)**

**Closing date for offers is (12:00 noon, April 27, 1995)**

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<b>PHILADELPHIA</b>		<b>PLAZA</b>		<b>CONCORD</b>		<b>AMMOUN THEATRE</b>	<b>Nabil Al Mashini Theatre</b>	<b>AHLAN THEATRE</b>
Tom Hanks in <b>Forrest Gump</b> Shows: 12:30, 3:15, 6:15, 9:15		Andy Garcia — Mee Ryan in <b>When A Man Loves A Woman</b> Shows: 12:30, 3:30, 5:30, 8:30, 10:30		Comedian star: Adel Imam — <b>Bakht &amp; Andadileh</b> Shows: 12:30, 3:15, 6:00, 8:30, 11:00 <b>CONCORD '2'</b> Jean-Claude Van Dam <b>STREET FIGHTER</b> Shows: 12:30, 3:30, 5:45, 11:00		Musa Hijazin "Sum'a" in the political satire <b>Hi Citizen</b> written and directed by Mohammad Al Shawaf daily on 8:30 p.m. The theatre closes on Monday — Halfa Al Agha in the children's play ☆☆ Sa'di's Return ☆☆	Presents <b>Abu Awwad</b> in the social comedy <b>Punctured Bag</b> The theatre is closed on Mondays Tickets are available all day	Presents: The political satire: <b>AL SALAM YA SALAM</b> at 8:30 p.m. For reservation, please call 625155 The theatre is closed Saturdays & Sundays



## Crown Prince — 'man of quiet diplomacy'

AMMAN (Petra) — April 1, 1965 has a special meaning in the history of Jordan. It is the day when a Royal Decree proclaimed His Royal Highness Crown Prince Hassan as Regent.

Since that date Prince Hassan has embarked on a multitude of responsibilities at the local, Arab and international fora.

Under the directives of His Majesty King Hussein, the Crown Prince became one of the pioneers of development not only at the local level, but also at the regional and international levels.

He has been an active advocate of development with a human face, development that is based and centred around the individual.

Prince Hassan, who belongs to the fourth generation of the Hashemites, has contributed to building the national and inter-Arab order and prevented it from deteriorating.

The Crown Prince has always believed that proper planning, constructive dialogue and intellect based on solid grounds are important factors contributing to building the state of institutions.

With this in mind, Prince Hassan has been personally involved in the development plans in Jordan.

He was also behind the

establishment of national, Arab and Islamic institutions, including the Arab Thought Forum, the Royal Scientific Society, the Al al Bayt Foundation and Al al Bayt University and the Higher Council for Science and Technology.

The Palestine question has been one of the major preoccupations of the Crown Prince.

From his days as a university student, he prepared studies in English on rights of the Palestinian people and has advocated the right of self-determination of the Palestinian people.

Prince Hassan has written several books on Jerusalem and peace, in addition to other issues of interest to the Arab and Islamic nations.

Prince Hassan played a prominent role in international conferences and seminars and has used such fora to convey the Arab and Jordanian views on regional and international issues, in addition to defending Arab and Islamic causes.

The Crown Prince's contribution to the peace process was also prominent.

Arab media have described him as the "man of quiet diplomacy in the political Jordanian scene," since the beginning of the peace process in 1991.



CROWN PRINCE RETURNS HOME: Their return home on Friday by His Royal Highness Crown Prince Hassan and Prince Abdullah and members of the royal family (see page one) (Petra photo)

## Romanian plane crashes; all 59 aboard said killed

BUCHAREST (Agencies) — A Romanian Airbus bound for Brussels crashed after taking off from Bucharest in a snowstorm Friday, killing all 59 people aboard in a disaster that raises new questions about the reliability of computerised "fly by wire" jetliners.

The Tarom airline swiftly ruled out pilot error as having caused the crash of the Airbus A310-300, a fully automated, two-engine aircraft that has been in service for 12 years. But by late afternoon Friday, the plane's "black box," which recorded the few moments of the ill-fated flight, had not yet been found.

Thirty-two homebound Belgians were among the 49 passengers killed when the Airbus went down in a field near Bucharest three minutes after take-off Friday morning. They included the Belgian consul in Bucharest, Michelle Vanden-Amele.

The other foreign victims were three Americans, two Spaniards, and one national each from France, Thailand and the Netherlands, Tarom said.

Nine Romanian passengers and the 10 members of the crew also perished in the

crash, the worst Romanian air disaster in more than 20 years.

Soldiers who rushed to the crash site said they found a sea of burning wreckage strewn about a crater four metres deep dug by the plane.

"It was hellish," one of the soldiers said. "The plane was in flames when we arrived. There were hands, heads and feet scattered around the fuselage."

Tarom said it ruled out pilot error as a cause. "I categorically rule out any pilot error," Tarom General Manager Nicolae Brutaru told reporters.

Mr. Brutaru gave no other explanation for the crash saying he would have to wait for an inquiry by an Airbus Industrie team on its way from Toulouse.

He said the weather had been satisfactory, although it was snowing.

Tarom said it was grounding its two other Airbus A310s pending the Airbus investigation into the crash.

The crash was the third of an Airbus A310-300 since the European consortium Airbus Industrie introduced the model in 1983.

Questions about Airbus air safety have arisen following accidents and near misses in

which pilots have reported difficulty managing the plane's controls.

The plane's ultramodern computerised systems put the craft on automatic pilot throughout the flight unless human pilots take control in exceptional circumstances through "override" functions.

Witnesses said that they heard a blast when the plane crashed, but added that visibility was so poor they could not tell whether the explosion occurred before or after the jet hit the ground, the Roms news agency said.

Concern about Airbus reliability has been high in Romania since one of Tarom's three Airbus jets was involved in a near miss last autumn.

On Sept. 24, a Tarom Airbus A-310 suddenly plunged 1,500 metres as it was approaching Paris' Orly airport with 182 people on board. The pilot managed to level out the aircraft only 100 metres above a residential neighbourhood.

An official investigation concluded that the problem involved the plane's automatic pilot system but was unable to say if there was pilot error or a technical malfunction.

## Sanaa cracks down on all moneychangers

SANAA (AFP) — Yemeni authorities arrested all the country's money-changers in a crackdown early Friday amid an economic austerity drive that has triggered a wave of protests.

"Police have arrested all money-changers in towns around Yemen, accusing them of damaging the national economy and contributing to the devaluation of the currency," said a policeman here who asked not to be named.

The arrests followed a speech Thursday by Prime Minister Abdul Aziz Abdul Ghani, who condemned what he said was a plot against the crisis-hit Yemeni economy and announced an imminent devaluation of the rial.

In Sanaa the dollar was changing hands for 140 riyals on the black market Wednesday compared to 125 riyals Tuesday and 12 riyals at the official rate.

In the southern city of Aden, the country's economic centre and scene of riots Wednesday, the dollar was traded for 134 riyals.

Mr. Abdul Ghani said Thursday there was "no reason for the exchange rate to jump from 125 to 140 riyals," blaming it on a "plot" against the economy.

He told a press conference that the government was drawing up new list of exchange rates, including new rates for customs duties, as well as a range of austerity measures.

Police shot dead at least three demonstrators in Aden on Wednesday during street clashes over a doubling of petrol prices, police said, adding that eight people were also wounded.

The death toll was not officially confirmed.

The demonstrations ransacked a petrol station and threw stones at security forces, police said.

According to witnesses, the demonstrators, most of them students and school pupils, also burned tyres and erected barricades.

Demonstrations were also reported in Dhamar, 100 kilometres south of Sanaa.

Petrol prices doubled on

Wednesday, from six to 12 riyals per litre (equivalent to six to 12 U.S. cents on the black market). The hike took place without any prior announcement.

A government statement broadcast on state radio after the clashes said subsidies would be scrapped for basic foodstuffs including wheat and flour.

Mr. Abdul Ghani urged Yemenis to make sacrifices and back economic reforms drawn up with the help of the World Bank, to be implemented over three years.

He said the May-July 1994 civil war and the 1991 Gulf war had left a "heavy legacy" for the Yemeni economy.

"The government has decided on a package of measures to deal with the crisis and expects your understanding and encouragement," he added.

Previously, authorities have accused the ousted Yemen Socialist Party (YSP) of fomenting unrest.

Breakaway leaders of the Aden-based YSP were forced into exile when northern forces loyal to President Ali Abdullah Saleh defeated a southern bid to form a separate state in a May-July 1994 civil war.

Aden, formerly the capital of Marxist South Yemen, suffered extensive damage in the war.

Yemen is one of the poorest countries in the world, with an external debt running into more than \$7 billion. It suffered losses of \$11 billion during the war.

The World Bank and International Monetary Fund (IMF) have been pressing Yemen to liberalise its economy and remove subsidies on basic goods, petrol and public services.

But government divisions over the reforms, especially fears of public unrest, have delayed the country's economic recovery.

The European Union's external economic relations department Wednesday described the state of Yemen's economy as "disastrous," with inflation running at between 70 and 130 per cent.

## Higher court orders review of testimony in subversion trial

By a Jordan Times Staff Reporter

AMMAN — The Court of Cassation has ruled that the State Security Court should take into consideration the testimony of three witnesses in a case involving alleged "Arab Afghans" and retry one of the defendants under laws related to juveniles, according to judicial sources.

The ruling, issued by President Judge Khleif Suheimat, is the second in two weeks involving verdicts issued by the State Security Court, a military tribunal.

In the first ruling, issued on March 13, a Court of Cassation panel presided over by Judge Youssef Gharaibeh overturned the guilty verdict against eight people who were accused of plotting to assassinate His Majesty King Hussein during a graduation ceremony at Muta University in June 1993.

The Court of Cassation also quashed the guilty verdict against three of the accused on a charge of belonging to an illegal organisation saying trying people on such a charge was beyond the purview of the State Security Court and that a civilian court should have heard that case.

The verdict against the two tried in absentia remains in force since the Court of Cassation does not review sentences against fugitives from justice. If they are arrested or surrender to the authorities then they would face a retrial by the State Security Court and subject to an automatic review by the Court of Cassation.

In the "Arab-Afghan" case, Judge Suheimat ruled last week that the State

Security Court should re-hear the testimonies of three witnesses in the trial, which involved 25 people, the sources said.

The case came to be known as the "Arab Afghan" case in a reference to reports that some of the defendants had fought alongside the mujahideen in Afghanistan against the Soviet occupation army during the 1980-90 Afghan war.

Eleven of the accused, including three in absentia, were sentenced to death and seven others to jail terms ranging between seven years and life by the State Security Court. Seven others were acquitted.

It was not immediately clear whether the Court of Cassation ruling was applicable to the seven who were acquitted by the State Security Court.

The State Security Court, a panel of three military judges, had listened to the three witnesses, including an explosives expert, during the trial that ended in December but had decided to ignore their testimonies.

According to the sources, the Court of Cassation ruling means that the State Security Court has to bring back the three witnesses to the stand and accept their testimonies as evidence.

The verdict of the State Security Court after the testimonies are admitted will also be subject to an automatic review by the Court of Cassation in line with new laws adopted in 1992. Earlier, State Security Court verdicts were not subject to review by any court.

The Court of Cassation also said that one of the

(Continued on page 13)

## Italians claim cold fusion breakthrough

BOLONGA, Italy (R) — Italian physicists have detected what they believe may be evidence of nuclear "cold fusion" in experiments with hydrogen and nickel, the Italian news agency (AGI) reported Wednesday. It quoted a member of the team, Professor Sergio Focardi of the University of Bologna, as saying that 15 grammes of nickel and one gramme of hydrogen produced 30 to 40 watts of energy, sufficient to power a light bulb, for around three months. Prof. Focardi said about 100 kilowatt hours of energy had been produced so far in the experiments, a quantity that ruled out a chemical reaction as the source of the power, AGI said. Prof. Focardi was not available for comment.

Scientists have long theorised that fusion, the process that powers the sun, could provide all the world's electricity needs without using any fossil fuel if harnessed. Many physicists, however, have dismissed cold fusion — creating the type of energy used by the sun without extremely high temperatures — as a delusion. Scientists Martin Fleischmann and Stanley Pons of the University of Utah said in 1989 that they had detected fusion in an experiment conducted in their basement and at room temperatures. Since then, scientists around the world have been attempting to duplicate their experiments with little success.

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